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NEWS SUMMARY

GENERAL

Saudi threat to aircraft deal

Saudi Arabia is expected to cancel a \$525m order made on behalf of Egypt for 50 Northrop F-5 aircraft because of its objections to Egypt's peace treaty with Israel.

U.S. State Department officials say that the chances of Saudi Arabia financing the sale look slim.

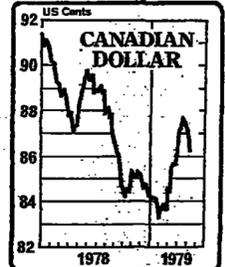
Cancellation of the deal would be in line with the boycott resolutions adopted by many all Arab states against Egypt. Back Page.

BUSINESS

Equities off 10.2; Gilts easier

● **EQUITIES** fell sharply on the announcement of the Standard and Chartered's 276m rights issue, and the FT 30 share index fell 10.2 for a two-day loss of 19.7 to close at 538.9.

● **GILTS** recorded further substantial losses on poor banking figures and indications of a sharp increase in inflation. Shorts lost up to 1, and longs up to 1, and the Government Securities Index closed 0.83 down at 74.54.



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Cancellation of the deal would be in line with the boycott resolutions adopted by many all Arab states against Egypt. Back Page.

Thorpe 'incited friend to kill'

Jeremy Thorpe, former Liberal Party leader, incited a friend to kill ex-male model Norman Scott with whom he had a homosexual relationship, it was alleged at the Old Bailey.

Mr. Thorpe and three other men have pleaded not guilty to conspiracy to murder Scott. Thorpe has also denied inciting his friend, David Holmes, to kill Scott.

Schmidt meeting

Chancellor Helmut Schmidt of West Germany has talks in London today with Mrs. Thatcher. He will be the first foreign head of government to meet the new Prime Minister and her colleagues. Page 3

Police chief jailed

The former head of Northumbria police drug squad, Det. Insp. Michael Meldrum, aged 42, was jailed for seven years on drug charges at Teesside crown court.

Israeli pursuit

Israeli infantry backed by tanks crossed into southern Lebanon in pursuit of Palestine guerrillas who clashed with an army patrol. Page 4

Rapist gets life

AA petrolman David Owen, aged 24, was jailed for life at St. Asaph after being convicted of the rape and robbing a 21-year-old secretary whose car had broken down. The court was told that Owen carried out the attack wearing a black hood.

Petrol violence

California's brandishing guns, knife fights and scuffling, as the deadline for the introduction of petrol rationing approached. Page 5

Fire law attack

Manchester's fire chief demanded tighter fire laws and said a sprinkler system could have stopped the Woolworth store from spreading so rapidly. Police are still trying to identify four of the 10 victims.

Briefly

Sir Colin Woods, aged 59, chief inspector of constabulary for England and Wales, will head Australia's new federal police force.

Six workers were killed and 13 injured when scalding syrup split at a Cuban sugar cane mill. Syndicate of Manchester clothing workers won more than £300,000 on Littlewoods' football pool. A man and a woman in the West Midlands each won similar amounts.

At least 35 people died when a Bombay-bound express train collided with a bus carrying Indian tourists at an unmanned crossing.

Australia has asked the International Whaling Commission to consider a worldwide ban on catching whales.

COMPANIES

● **J. SAINSBURY**, the supermarket group, reports an 18.4 per cent rise in pre-tax profits for the March 3, 1979 year from £27.58m to a record £32.66m. Page 26 and Lex.

● **SEARS HOLDINGS** reports a 39 per cent increase in pre-tax profits from £85.5m to £91.1m for the year to January 3, 1979, on turnover which rose just over 13 per cent to £1.1bn. Page 26 and Lex.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		FALLS	
Akroyd & Smithers	231 + 8	Excheq. 9 1/2pc 1982	295 - 1
Anal. Dist. Prods.	43 + 5	Excheq. 12 1/2pc 90	2103 - 1
Avery's	246 + 6	Appleyard	103
Balfour Beatty	177 + 5	Babcock and Wilcox	187 - 9
Scottish Inv. Invs.	209 + 4	Beecham	707 - 13
Utd. Engineering	135 + 12	Bibby (J.)	405 - 20
		Blue Circle	358 - 8
		Booker McConnell	355 - 15
		BRF	132 - 8
		European Ferries	167 - 8
		Fairbairn Lawson	32 - 4
		Heal and Son	222 - 21
Highland Distilleries	96 - 6	ICI	400 - 5
Imp. Cont. Gas	498 - 17	Intnl. Thomson	414 - 10
Lesney Products	60 - 4	MFT Furniture	370 - 15
Metal Box	342 - 16	Midland Bank	426 - 15
Midland Bank	426 - 15	MoDereare	375 - 17
NatWest	382 - 13	Pilkington Bros.	475 - 18
Racal Electronics	475 - 18	Raybeck	131 - 6
Sainsbury (J.)	345 - 23	Standard Chartered	507 - 28
Trust Houses Forte	188 - 10	Trust Houses Forte	188 - 10
BP	1186 - 30	Muar River	73 - 7
Charter Cons.	166 - 6	KTZ	324 - 11
Randfontein Ests.	2274 - 11		

Soviet Union and U.S. agree on arms limit treaty

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

The U.S. and the Soviet Union have finally reached basic agreement on a new strategic arms limitation treaty after more than six years of negotiations involving three American presidents.

Mr. Cyrus Vance, the U.S. Secretary of State and leading architect of the pact, declared in the White House yesterday that the treaty meant "an essential step towards a safer America and a safer world."

He added: "Our overriding purpose has been to strengthen our nation's security and that of our allies through practical and verifiable restraints on the nuclear arms race."

It will still take SALT negotiations in Geneva several weeks to iron out the treaty language. The process will be culminated by a summit meeting between Presidents Carter and Brezhnev. This is expected to take place somewhere in Europe in the middle of next month.

The Carter Administration's clear hope is that, now that the treaty has been agreed, it can move on to the offensive in trying to secure ratification from the Senate. Until now, with negotiations with the Soviets trying its hands, the Administration has been hard put to counter the series of leaks about the SALT which have been capitalised on and sometimes exaggerated by its opponents.

Even so, it will be no easy task to win the approval of two-thirds of the 100 member Senate. One rough recent count puts about 45 senators in the SALT camp, at least 20 dead set against it, with the balance evenly divided between Republicans and Democrats, still undecided.

The Administration will push for outright ratification of the treaty as it stands. But as the tactics of the debate unfold, it is considered probable that the Senate may offer amendments. The key question is whether such changes will be acceptable, not only to President Carter, but to the Soviet Union.

The SALT II treaty is by far the most comprehensive yet attempted, far exceeding in scope both the 1972 SALT agreement and the subsequent 1974 Vladivostok accords. Yet, in itself, it is only a prelude, assuming Congress passes, to the even more wide-ranging negotiations leading up to a SALT III pact covering Western Europe.

The basic elements of the SALT II treaty, which is designed to run until the end of 1985, have been known for some time. The main items are: ● An initial limit of 2,400 strategic nuclear weapons on both sides, declining to 2,250 by the end of 1981. This would require the Soviet Union to dismantle 250 to 300 weapons systems.

● Various sub-limits on MIRV (Multiple Independent Re-entry Vehicles)—that is those with multiple warheads that can be separately targeted—with an overall ceiling of 1,320 units.

● Neither side may introduce more than one new type of intercontinental ballistic missile during the life of the treaty.

● The understanding that each side will be able to verify the other's deployment of missiles. This has been one of the principal sticking points in the past year, particularly in the wake of the loss of U.S. monitoring bases in Iran, and may be one of the main sticking points.

Most of the main items had been essentially agreed well over a year ago, not long after the first SALT treaty expired in October 1977.

Mr. Carter's decision to normalise relations with China last December and the subsequent visit to the U.S. of Mr. Deng Xiaoping, Peking's senior vice premier, made it difficult for the Soviets to agree to a speedier resolution.

The Bank of England has recalculated the result that the rise in sterling M3 in the five months to mid-March has been revised upwards from 4.1 to 4.6 per cent. On this basis the annual rate of growth of the money supply in the six months to mid-April is likely to have been above the upper end of the 9 to 12 per cent target range for the year to mid-October.

The banking system as a whole was comfortably within the limits imposed under the corset controls on interest-bearing eligible liabilities, but it appears that one of the clearer, possibly Lloyds, moved slightly above the permitted level, probably inadvertently.

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In view of Lonrho's victory, it was likely that the independent directors would recommend SUTS shareholders to accept the improved offer rather than become minority holders in a subsidiary of Lonrho. Lex, Back Page

Teachers and police in pay moves

By Pauline Clark and Michael Dixon

POLICE AND teachers yesterday became the subjects of the new Government's initial major moves on public sector pay.

● Mr. William Whitelaw, Home Secretary, announced that the second stage of the Edmund-Davies award to the police, due to be paid in September, is to be implemented immediately.

● Mr. Mark Carlisle, Education Secretary, appealed to the two biggest teachers' unions to suspend their work-to-rule pending resumed negotiations.

The Government's action in honouring a previous pledge to bring forward the 20 per cent payment to police by four months was described by the Police Federation last night as "a magnificent start by the new Government."

Mr. James Jardine, federation chairman, said it would greatly improve the morale of the police, who had been angered by the Labour Government's insistence on a two-stage payment in September, 1978, and September, 1979.

Under the Edmund-Davies award, policemen were given a total pay increase of between 30 and 45 per cent, the first instalment of which was paid in September last year. In addition an allowance of £650 a year was recommended for the Metropolitan Police.

Mr. Whitelaw said last night: "By this action the Government has demonstrated very clearly its support for the police and their role in society."

The issue of law and order was one of the chief Tory platforms during the election. But Mr. Whitelaw's promise to the police that a Conservative Government would implement the full Edmund-Davies award in one payment was made last July when the report was published.

The cost of implementing the second instalment of the award backdated to May 1, is estimated at about £50m. The full package will now cost £250m. Basic pay of a police constable will now be £3,600 on joining the force, or £4,300 if he is aged 22, rising to £5,700 after 15 years' service.

A sergeant's basic pay will be £5,450 to £6,250. London police will receive an additional £669

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£ in New York

	May 8	Previous
Spot	52.0705-0715	52.0805-0815
1 month	0.27-0.28	0.25-0.25
3 months	0.45-0.46	0.53-0.49
12 months	1.95-1.85	1.86-1.45

Monsanto to close Europe nylon plants

BY SUE CAMERON, CHEMICALS CORRESPONDENT

THE U.S.-BASED Monsanto chemicals group is planning to close down its European nylon business at a cost of 2,300 jobs—1,500 of them in the UK.

In the four years since 1975, Monsanto said yesterday, its European nylon fibre operation had lost \$63m (around £32m), and long-term prospects "remain poor." It had therefore decided to seek immediate consultation with Government representatives and with the trades unions "with a view to an early withdrawal from the nylon business."

The UK will bear the brunt of the closure in employment terms although Monsanto's two Continental plants account for more than two-thirds of the company's total losses on its nylon operations in Europe.

It has four plants in the UK, the biggest a nylon manufacturing plant at Dunderdonald in Ayrshire which employs 830 people. There is a small, fibre processing unit at nearby Cumnock and two more plants in County Durham which employ 560 people.

Monsanto also has a nylon plant at Echtermach in Luxembourg and an associated fibre processing plant at Wittlich in West Germany. Together these employ 790 people.

The group said yesterday that its UK subsidiary had suffered pre-tax losses of £8.9m on its nylon business since 1975. The Continental plants accounted for the rest of the £32m loss.

Employees at Monsanto's four UK nylon plants were told of the closure plans yesterday morning. The main reasons given for the decision to pull out of nylon fibres in Europe were Monsanto's relatively small market share and its inability to compete successfully on costs.

Mr. Eric Sharp, chairman of Monsanto's UK subsidiary, said yesterday that the company had looked at various strategies for improving its position in nylon fibres. It had also been trying to cut "rising losses" on its nylon operation in Europe but without success.

"Against a background of escalating raw material costs and surplus European nylon capacities, we cannot justify additional investments," Mr. Sharp said. "Consequently, our competitive position will deteriorate further with significant losses which our other operations would have to support."

Mr. Sharp stressed that the company's production of acrylic fibre in the UK would not be affected because Monsanto had a "strong raw material and market position in this" sector of its business.

Last year the group's UK subsidiary, whose sales covered industrial and rubber chemicals, plastics, herbicides and chemical intermediates as well as nylon and acrylic fibres, had a turnover of £122m. Nylon accounted for 12 per cent of Monsanto's UK turnover.

Last night the Scottish TUC said it would be asking the new Scottish Secretary, Mr. George Younger, to try to prevent the closure of Monsanto's plants.

News Analysis, Page 8

Bank lending boosts money supply growth rate

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE RATE of growth of the money supply accelerated last month. A continuing buoyant level of bank lending appears to have offset further large sales of gilt-edged stock.

The rise in bank advances supports other evidence of a pick-up in the level of economic activity. There is still, however, uncertainty in Whitehall and elsewhere about how far this represents a recovery from the effects of the winter weather and strikes or how much it reflects an underlying and sustainable rise in demand.

This uncertainty complicates the key Budget decisions facing Sir Geoffrey Howe, the new Chancellor of the Exchequer. He will presumably want to make a start on reducing the target rate of growth of the money supply in 1979-80. But there will no doubt be official warnings against applying too severe a squeeze on the economy. This also affects judgments about the acceptable level of public-sector borrowing.

and hence the scope for tax cuts.

The preliminary banking figures published yesterday by the Bank of England show that eligible liabilities rose by £1,490m, or 3.1 per cent, to £47,510m in the four weeks to mid-April.

These liabilities are a major source of the banks' deposit funds. The figures are not an exact guide to the growth of sterling M3, which includes cash and bank current and seven-day deposit accounts.

This is partly because of seasonal factors which last month accounted for around £700m of the unadjusted rise in eligible liabilities.

In addition, heavy inflows from abroad at the end of March may have boosted eligible liabilities but may not affect sterling M3. The latest clearing bank figures suggest that some of the inflows have remained as overseas resident deposits.

However, various transactions involving the discount market

may have boosted the money supply. This makes it difficult to estimate sterling M3, but the rise may have been around 1 1/2 per cent. This compares with a fall of 0.8 per cent in the previous month.

The Bank of England has recalculated the result that the rise in sterling M3 in the five months to mid-March has been revised upwards from 4.1 to 4.6 per cent. On this basis the annual rate of growth of the money supply in the six months to mid-April is likely to have been above the upper end of the 9 to 12 per cent target range for the year to mid-October.

The banking system as a whole was comfortably within the limits imposed under the corset controls on interest-bearing eligible liabilities, but it appears that one of the clearer, possibly Lloyds, moved slightly above the permitted level, probably inadvertently.

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Standard Chartered £75m rights issue

BY MICHAEL LAFFERTY, BANKING CORRESPONDENT

STANDARD CHARTERED Bank, the London-based international banking group headed by Lord Barber, is calling on shareholders for £75m of new equity capital. The board is also recommending a dividend increase of 15.7 per cent for the current year.

The money is to be raised through one of the most widely-predicted rights issues of recent times. It has been expected that Standard Chartered would resort to the market to increase its equity capital base ever since plans were announced in June last year for its \$372m (£180m) acquisition of California's Union Bancorp.

The rights issue is on the basis of one new share for every four held. The issue price is 455p, a discount of about 15 per cent on Standard Chartered's share price before the announcement. The shares closed 28p down on the day at 507p.

Lord Barber said yesterday that the extra capital was needed to support the continuing expansion of the bank, including that resulting from the Union Bancorp acquisition, completed last month.

Lord Barber said: "While it is too early to draw any conclusions about the outcome for

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Lonrho clinches SUTS deal

BY JAMES BARTHOLOMEW

LONRHO, the British-based brewing conglomerate, has finally won its long battle to gain control of Scottish and Universal Investments, the Scottish holding company with a 10 per cent stake in the House of Fraser stores group.

Lonrho clinched the deal yesterday by raising its offer by 20p per share, worth £4.4m to the shareholders of SUTS apart from Lonrho itself. The offer now consists of one Lonrho share and 135p for every SUTS share. It values SUTS at £97m.

Soon after announcing the increased offer, Lonrho said that acceptances had taken its total interest beyond the crucial 50 per cent mark. Lonrho already owns just under 30 per cent of SUTS.

Lonrho's bid to take over SUTS started in April last year with an offer valuing the group at only £41m. Since then the bid has been increased several times and successfully completed through the Monopolies and Mergers Commission.

Mr. Paul Spicer, a Lonrho director, said yesterday that Charterhouse Japhet, advisers to most of the directors who

opposed the Lonrho bid, had "put up a good fight."

Mr. Jonathan Scott, for Charterhouse, said that more money could have been squeezed out of Lonrho if the Fraser trusts, with just under 9 per cent of the equity had not capitulated to Lonrho's advances.

In view of Lonrho's victory, it was likely that the independent directors would recommend SUTS shareholders to accept the improved offer rather than become minority holders in a subsidiary of Lonrho. Lex, Back Page

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Richard Ellis

EUROPEAN NEWS

Progress on fuel saving reported by energy agency

By Robert Mauthner in Paris

MOST MEMBERS of the 20-nation International Energy Agency (IEA) have begun to implement the decision taken by the organisation's governing board two months ago to reduce their demand for oil by about 5 per cent or 2m barrels a day, according to a report issued yesterday.

The report stresses that member-countries are at various stages in adopting and implementing national measures, so that an exhaustive comparison is not yet possible.

Price phase-out

The U.S. programme is based on price measures, steps to increase domestic production, a switch from oil to other fuels, and moves to reduce demand through persuasion and legislation.

Starting in June, the controlled price of domestically produced oil will be phased out, producing an expected saving this year of 60,000 to 80,000 barrels a day.

Oil production from Elk Hills and the Alaskan North Slope will be increased from 20,000 barrels a day to an estimated 170,000.

Utilities have been asked to use excess non-oil-fired capacity, and a relaxation of coal-burning exhaust emission standards is being considered.

With the switch from oil to natural gas by utilities and major industrial users, these programmes are expected to save some 3 50,000 to 600,000 barrels a day.

A media campaign to cut energy use will produce estimated savings of 200,000-250,000 b/d, while programmes involving Federal operations and non-residential building could save as much as 215,000-410,000 b/d.

If all these efforts fail, the U.S. Energy Department has the authority to impose allocation and rationing.

The UK's programme is based on increased production, switching from oil to other energy

sources, demand reduction through persuasion, and fuel allocation.

The Government may increase North Sea oil production to meet the oil shortfall, the report says. For the first four months of this year, extra production was about 1.7m tonnes.

The Central Electricity Generating Board has agreed to hold its use of fuel oil for electricity generation to a practical minimum.

Estimated oil-saving is 1.5-2m tonnes. A public sector campaign is expected to save up to 1m tonnes. At present, the UK oil industry is operating allocation-schemes limiting consumers to 1978 consumption levels or below.

Japan's programme relies on demand reduction and fuel switching. Oil consumption in power generation is to be switched to nuclear, liquefied natural gas and coal fuels, producing an estimated saving of at least 2.6m tonnes of oil equivalent.

Japan will also encourage restraint by setting heating temperature limits, and reduction of motor vehicle and office lighting usage by 20 per cent.

Germany lagging

West Germany appears to be lagging in the measures it has taken. The Bonn Government believes that the effects of higher prices and the tight oil market may be sufficient to reduce oil consumption. However, other measures are being considered.

Canada's most significant short-term measure is to expand indigenous production. This has been stepped-up by 70,000 b/d, representing about 10 per cent of net oil imports.

Australia is attempting to expand its oil production from the Bass Strait oilfield. Belgium has adopted a programme based on persuasion, fuel switching and fuel allocation.

Norway will use compulsory orders should persuasion prove insufficient. Sweden is conducting a public information campaign. Denmark will use mandatory measures estimated to reduce total oil consumption by more than 4 per cent.

Italy calls in army for election security

By Paul Setts in Rome

ARMY UNITS were called in yesterday to support Italy's police forces, in an attempt to prevent the general election campaign being marred by terrorist outrages.

The decision, taken yesterday by the caretaker Government's committee on security, follows a renewed and particularly fierce wave of political motivated violence coinciding with the opening of the campaign for the election, which takes place on June 3 and 4.

The last time the Government called in the army was when the late Sig. Aldo Moro, the late Christian Democrat leader, was kidnapped and murdered by Red Brigade's ultra-left extremists.

Memorial services were held throughout Italy yesterday for Sig. Moro, whose body was found dumped in a car in the centre of Rome a year ago yesterday.

Sig. Attilio Ruffini, the Defence Minister, said army units would protect key buildings and points which could be targets of terrorist attacks during the campaign.

Sig. Ruffini indicated that a decision would be taken later over whether to continue using the army after the elections.

After last week's terrorist raid on the Rome branch headquarters of the Christian Democrat Party, in which one police officer was killed and two others seriously injured, the caretaker Government of Sig. Giulio Andreotti had come under increasing pressure to take firmer anti-terrorist measures.

Industry output up in March

By Our Rome Staff

THE SUSTAINED recovery of Italy's industrial production was confirmed yesterday by official figures, which showed a 2.2 per cent increase in output last March compared with March, 1978. Industrial output in the first quarter increased by an average of 7.3 per cent compared with the same period last year.

Against this, unemployment figures released yesterday show a worsening trend.

Rupert Cornwell, recently in Padua, reports on the hot-bed of Italy's ultra-Left

A cancer in the city of St. Anthony

"IF WE were in the throes of violent revolution, do you honestly think you'd be able to walk up and see me like that, with just a couple of attendants outside my office?"

Thus in some despair, Professor Luciano Merigliano, rector of the University of Padua, the city near Venice whose involuntary claim to be the epicentre of the terrorist movement gripping Italy seems to grow every day.

The ancient university, where Galileo taught and Copernicus studied, was once the jewel in Padua's crown. Today it is testament to the chaos in parts of the country's higher education system, and anonymous less with learning than with the so-called "Autonomist" ultra-left movement, which has taken its centre at the biggest anti-terrorist investigation in recent Italian history.

If the hopes of police and Government are justified, the enquiries of Sig. Pietro Calocero, a top Padua magistrate, could lead not only to exposure of the plot behind the kidnap and murder almost a year ago of Sig. Aldo Moro, the former Prime Minister. It could also result in the dismantling of a large part of the existing terrorist network in Italy.

In a sense, the rector's dogged insistence on normality is justified. On the face of it, Padua, the city of St. Anthony, is not the militarily despatched zone proclaimed by hastily despatched reporters from Rome and Milan.

It looks just another middling north Italian town: evidently prosperous, faintly disorganised, and with a stunningly beautiful historic centre.

But you need only a second glance to perceive the other normality of Padua, and the other Italy it symbolises. Since 1968, the city has been a cockpit of extremism and guerrilla warfare, first from the Right, and then, from the early 1970s, from the far Left. Last year alone 170 acts of political violence were committed there, and a further 80 alone in the first four months of 1979.

"It's a cancer within," says Sig. Antonio Garzotto, a local journalist wounded in a terrorist assault three years back, almost certainly on account of his over-zealous coverage of what was going on. "We're used to it now. The people look on the university as the source of all evil, and they take their own precautions."

And indeed the city centre, once a scene of evenings out,

seems strangely deserted at night, as if Paduans imposed their own unofficial curfew upon themselves.

All this however pales beside the sensational arrest on April 8 of 15 leading "Autonomists," including Sig. Toni Negri, professor at Padua's political science faculty, and the leading theoretician of the movement. The preliminary charges were of belonging to an armed band and insurrection against the state. Within days he had been transferred to Rome for questioning by magistrates there

impact on Italy). It is generally thought to have two parts: a neo-Marxist political movement, Autonomia Operaia (Workers' Autonomy), out of which has sprung an armed operational section, Autonomia Organizzata.

Hitherto the movement had been considered distinct from the Red Brigades, who have few political sympathisers, and seemed out to hit specific, important targets. The Autonomists, on the other hand, have worked from the bottom up, with identifiable sympathisers.

20-man guerrilla onslaught on May 3 against the Christian Democrats' Rome headquarters. But why Padua, and why the Veneto? Part of the answer lies in the university itself, overcrowded and without an adequate infrastructure. According to Prof. Merigliano, trouble is concentrated in the two faculties of political science and of psychology.

These are both prone to ideological infiltration at the best of times, when graduates can find jobs. Today, though, they are "factories of unemploy-

ment," in the rector's words, which now have apparently become factories of violence.

That some of Padua's teaching elite have leant to the Left has long been known. But a faculty like psychology, of whose 10,000 students only 1,000 at best can hope to find an appropriate job afterwards, provides a perfect soil for ultra-Left ideas to take root.

Unsurprisingly, Professor Merigliano would like to see some form of controls upon enrolment, at least to provide a breathing space.

He himself is research-orientated, an engineer by training, tired of all the unwanted publicity. The rector's argument is that the extremists are a tiny part of a basically healthy university. His rule-of-thumb reckoning is "one per cent of lunatics." On this basis, Padua's 60,000 students would provide 600 activists, with a further 40 from the total teaching staff of 4,000.

Put another way, though, that percentage provides a substantial potential band of sympathisers for Prof. Negri's ideas. The movement's weekly paper "Autonomia" sells 4,000 copies a time as many as the local "straight" dailies.

Every evening, Autonomist students can be seen, talking in idle groups in Piazza del Signori. Behind them, beneath the 1434 clocktower which crowns the old Governor's palace, are scrawled familiar scariet graffiti: "Calogero, hands off Autonomia," and "The Communist march will not be stopped."

It is vital to realise, though, that the Communists referred to are anything but the ones led by Sig. Enrico Berlinguer. That provides an important clue to the emergence of Padua, and the Veneto, as a terrorist centre, and indicates starkly the danger that the far Left, disillusioned with the Italian Communist Party's "revisionist" policies, presents to Sig. Berlinguer's chances at the polls on June 3.

Indeed, both Professor Negri and the jailed Red Brigade leader Sig. Renato Curcio, came from Left-wing Catholic backgrounds, but moved further left with the awareness that the Church had lost touch in the post-war industrial transformation of Italy.

All this is doubly true in the Veneto, a deeply Catholic region, where the PCI has never fared well. The "orthodox" Communists indeed see the arch-enemies of Autonomia, and were the object of vitriolic attacks during the three years of co-operation with the Christian Democrats.

A fortnight before Professor Negri's arrest, two Communist-sympathising professors at the university were severely assaulted, presumably by Autonomists.

Add to this the international links of both university and region, and the fertile seed-bed of Padua/Venice/Mestre, which industrialisation has turned into a mini-megalopolis with 1m inhabitants, and one can see why the area has been described as a "parking lot for international terrorism."



THE MORO KILLING: Sig. Aldo Moro's body found dumped in the back of a car one year ago.

investigating the Moro affair.

That the dragnet came on the eve of the current general election campaign—where one of the main themes is Italy's hitherto none-too-brilliant record against terrorism—has led to inevitable suggestions that the whole episode was a political set-up.

But Sig. Calogero is said by those who know him to be a scrupulous, and painstaking man not given to reckless allegations, nor one bent, in his own words, "on making crimes out of ideas." For three years he has been putting documentary and witnesses' evidence together to be revealed when the moment is ripe.

The crux of the issue is a simple question: what links exist between the Red Brigades, responsible for the Moro killing, and Autonomia? The latter was born after the 1968 student upheavals (which, incidentally, had only a delayed

investigating the Moro affair.

But the underlying logic of Sig. Calogero's activities is that all these organisations are linked, like a set of concentric circles, whose centre is not far from the political science faculty at Padua. The thesis is doubted by others. But many share the fear that the net result of what has happened will be increased cohesion of the various fragments of the terrorist movement in Italy.

There are signs indeed that this may already be happening. The "night of fire" on April 30, when 27 terrorist attacks took place virtually simultaneously in Padua and the Veneto region (assumed to be in retaliation for the arrests) implies an unprecedented mass mobilisation of commandos. The same conclusion can be drawn from the



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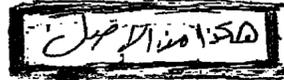
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Dutch steel chief subsidy warning

BY CHARLES BATCHELOR IN AMSTERDAM

HOLLAND AND West Germany will have to support their steel industries if other countries in the EEC continue to provide unfair financial aid to their own steel makers. Steel concerns in these two countries will not remain competitive if Britain, France, Italy and Belgium group up their own industries with grants, the Dutch-German steel group ESTEL warned yesterday.

ESTEL has already broached this subject in general terms with the governments in the Hague and Bonn, according to Mr. Olivier van Royen, the managing board spokesman. After surviving four years of losses totalling nearly Flbn (£235m) net ESTEL now feels it has a right to some government support to enable it to modernise its plant, he said.

Such a request is likely to be scrutinised closely by the Dutch Government which normally tries to avoid industrial aid which would distort free markets within the EEC. It recently revised plans for regional investment aid after an EEC protest and it has been reluctant to increase aid to exporters for the same reason.

ESTEL envisages the Government providing up to 50 per cent support for investment projects compared with the 15-20 per cent aid it can claim under existing investment stimulation schemes, Mr. van Royen said. The company, which produced 10.4m tonnes of steel in 1978, or nearly 8 per cent of the EEC total, is not seeking aid to expand capacity but to modernise existing plant.

In the short term the measures taken by Viscount Etienne Davignon, EEC Industry Commissioner, to establish guideline prices and reduce capacity remain an urgent necessity, he said. A European system of supervision is needed to reduce the distorting effects of support given in some European countries.

ESTEL, which operates steel plants in IJmuiden, on the Dutch coast, and Dortmund in the German Ruhr, expects to break even in 1979 after reducing its losses last year. The West German steelworkers' strike had an adverse impact on last year's result and will continue to affect this year's figures.

ESTEL annual results, Page 35

W. German Chancellor flies to London

By Adrian Dicks in Bonn

CHANCELLOR Helmut Schmidt flies to London today for talks with Mrs. Margaret Thatcher, the new British Prime Minister. The talks are described by German officials as evidence of "normality and continuity" in relations, rather than the occasion for specific decisions. Accompanied by Herr Hans-Dietrich Genscher, the Vice-Chancellor and Foreign Minister, and by Herr Hans Mattofer, the Finance Minister, the Chancellor will be the first foreign head of Government to meet Mrs. Thatcher and her colleagues.

Despite his long-standing friendship with Mr. James Callaghan and Mr. Denis Healey, Herr Schmidt is not thought to be dispirited by the change of party in Westminster. On the contrary, West German officials and politicians have high hopes of the new British Conservative Government, and specifically of its European policy.

Herr Schmidt will not expect Mrs. Thatcher to be in a position to commit herself to specific measures, but he will doubtless be hoping for some public and unequivocal statement on Europe which could give her Government a better start.

The Germans have, in this connection, been impressed and pleased by Lord Carrington's appointment as Foreign Secretary, by the appointments of Lord Soames and Mr. Peter Walker, and by the overall emphasis. Mrs. Thatcher's Cabinet selection has placed on senior people with experience of European policy.

It is also appreciated here that the new Government may need some time to be able to put into effect the fundamental changes which many Germans feel that Britain needs.

FRENCH COMMUNIST PARTY CONGRESS

Aim is grassroots unity of the Left

BY DAVID WHITE IN PARIS

FRANCE'S Communist Party has decided against mending its bridges with the Socialist Party leadership for the time being, and is fixing its sights instead on rank-and-file unity based on participation in labour struggles. That was the main message of an opening address by M. Georges Marchais, the Communist Party secretary-general, at the 23rd congress of the party in Saint-Ouen, near Paris.

Although sticking to the idea of a Communist-Socialist alliance as the means of achieving democratic change in France, M. Marchais renewed his attacks on the Socialist Party. He blamed it once more for the Left's election defeat last year and rejected the Socialist leader, M. François Mitterrand's offer of a "non-aggression" pact.

The Union of the Left had created illusions, he said. The Communists were not in a hurry to renew the pact at leadership level and were unwilling to do anything that would lead workers once again to disappointment and defeat.

In an oblique reference to disension within the Communist Party, which came to the surface last year, M. Marchais admitted that the election had brought "deep reflection, a big debate, questions and occasionally, here and there, confusion."

In his report to the congress he appealed against internal quarrelling and the building up of rival tendencies within the party. He rejected criticism of the process of "democratic centralism" by which the 700,000-strong party is run.

M. Marchais also dealt firmly with the question of the French Communist Party's attitude to the Soviet bloc. He repeated his condemnation of Stalinism and of "serious discrepancies" between what went on in Socialist

countries today and what Socialist democracy "could and from now on should be."

But he said the question boiled down to a decision on whether the advent of Communism in these countries was a good thing. "Our reply to this question is unambiguous. Yes, it is a good thing, for them and for us."

He praised the role played by the Soviet Union in supporting liberation movements in other countries as well as its "wise attitude" in bringing about a halt to the "unjustifiable aggression" by China against Vietnam.

He denied that the impetus of Euro-Communism in France had run out. "There is no lack of prophets announcing the death of a new political phenomenon," he said. "They are either deceiving themselves or deceiving others."

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M. Georges Marchais

Progress on forming Finnish coalition

By Lance Keyworth in Helsinki

THE DEPUTY SPEAKER of the Finnish Parliament, Mr. Veikko Helle, has made some progress in finding a basis for a coalition Government commanding a Parliamentary majority.

He has established that there is no possibility of forming a Government of non-Socialist parties alone. The strongest alternative is the old four-party left-centre coalition, which resigned after the general election on March 18-19, and now has a caretaker role. This could be reinforced by the Swedish People's Party.

These five parties have now presented their draft programmes to Mr. Helle. After discussing them with the parties, he will report to President Urho Kekkonen when he returns on Friday from his visit to West Germany.

Euro-MPs try to revitalise the Assembly

BY GILES MERRITT IN LUXEMBOURG

THERE WAS once a sign in the visitors' gallery at the European Parliament in Luxembourg which read: "Visitors are not permitted to express approval or disapproval."

It was taken down, the joke goes here, because of lack of interest. It must, indeed, be hard for even the most enthusiastic and Communist-minded visitor to be excited by a session of the Euro-Assembly. The smart, modern chamber here is frequently all but deserted.

Even during debates that might warrant a full house many MPs are going about their business elsewhere. Only the EEC's colour-coded documents lying on empty desks give a clue to where national groups would be sitting — purple for English,

blue for French, yellow for German, and so on.

In its final session here before next month's direct elections to a new and larger Parliament, the delegated Parliament has seemed as lacklustre as ever. But beneath the surface of its cumbersome procedures there are signs that some Euro-MPs and some senior members of the Parliament's Secretariat, are trying to revitalise the institution.

The hope is that the present 198-member "talking shop" will be transformed into a tough-minded democratic watchdog, and that its 410 elected members will take back some of the power in EEC policy-making from the Brussels Commission and the nine member

Governments which form the Council of Ministers. The talk is of streamlining the specialist committees, enlivening plenary sessions, and aiming for a U.S. Congress-style role in European politics.

About 15 per cent of the present MPs are expected to return when the elected body meets to Strasbourg on July 17. Most in already committee chairmen or similar roles, and they have been laying plans to revise the committee system to give greater attention to foreign policy and EEC enlargement.

But many procedural details now under scrutiny are less strategic. The present system of voting the day after the debate on a motion—and then keeping the precise count secret lest the

mandatory quorum of 50 members be revealed as unfulfilled—is now almost certain to give way to instant electronic voting. The system for allocating speaking time as a quota, related to the size of the six main political blocs, is also being re-examined. The objective would be to bring to an end the reading out of lengthy prepared statements geared to a less than flexible agenda, in favour of a "catch the Speaker's eye" style of debating.

Whether the "young Turks" of the new Parliament accept these ideas remains to be seen. One calculation being made is that a fair proportion will see them as mere details and irrelevant to the real issue of the Parliament's powers.

British petrol 'cheap'

By Roger Soyes in Bonn

PETROL PRICES in Britain are among the cheapest in Europe, according to a comparative study issued here yesterday by Aral, West Germany's largest petrol filling station operator. The 10-country survey showed that the Swiss motorist pays on average DM 1.193 per litre for normal grade petrol and DM 1.204 for super, making Switzerland the most expensive country.

In contrast, Britain pays an average DM 0.738 per litre for normal grade and DM 0.755 per litre for super. This relatively low price is maintained, the figures show, because of the small proportion of tax paid on the average litre—45.4 per cent compared to 71.3 per cent in Italy and 65.8 per cent in France.

Machine tool business booms in first quarter

By Andrew Fisher in Frankfurt

AFTER SEVERAL periods of sluggish demand and languishing production, West Germany's machine tool industry is experiencing a sharp rise in business, with first quarter figures showing the healthiest order position since the end of 1977.

The industry now has orders for eight and a half months, compared with only 7.6 months at the end of last year. The sector regards this as a return to the normal position. Germany's machine tool industry is the world's largest after that of the U.S., with total production last year of nearly DM7.7bn (£1.96bn), a rise of 3.3 per cent in real terms from the 1977 level.

In the first three months of 1979, the total inflow of orders rose by 27 per cent from the same period last year with domestic demand setting a slightly faster pace than that from abroad.

The machine tool division of the West German mechanical engineering association, which published the latest figures, described them as highly favourable. Still causing concern, however, is the progress being made by imports, which last year rose by 19 per cent in real terms to DM 1.15bn, while exports showed a slight decline, to DM 4.99bn.

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OVERSEAS NEWS

Israel tanks in Lebanon raid

BY DAVID LENNON IN TEL AVIV

ISRAELI infantry backed by tanks crossed into southern Lebanon yesterday in pursuit of Palestinian guerrillas who clashed early in the morning with an army patrol in northern Israel.

The Israeli raid appeared to be the largest land attack since its forces occupied south Lebanon in March last year. The armoured thrust centred on the village of Shakra in south-east Lebanon.

According to UN officials, the occupation of the village took place during a rotation of units. It is the first direct Israeli penetration of the area covered by the UN peace-keeping forces who were dispatched to the Lebanon 13 months ago.

This was the fourth consecutive day of Israeli attacks on the Palestinian forces in Lebanon. Since Sunday, Israeli aircraft have struck daily against Palestinian bases.

Birendra urged to defy hardliners

By Chris Sherwell in Kathmandu

DECISIVE ACTION by King Birendra to prevent a worsening crisis in Nepal after a month of student disturbances, was urged yesterday by two of the country's key political figures.

West Sahara peace search

BY FRANCIS GHILES, RECENTLY IN MOROCCO

NEGOTIATIONS AT a senior level between the countries involved in the Western Sahara conflict are now under way, according to Western diplomats in Morocco.

Last year, a planned meeting between King Hassan and President Boumediene had to be cancelled because of the Algerian leader's fatal illness.

Madrid during which he publicly stated his country's willingness to allow self-determination in Tiris El Gharbia, the Mauritanian-held part of the Western Sahara claimed by the Polisario Front.

Morocco's own Vietnam

BY OUR OWN CORRESPONDENT, RECENTLY IN EL AJAIUN

MOROCCAN officers on leave from the Saharan war are greeted back home with cries of relief. Their families do not want to hear about the fighting against Algerian-backed Polisario guerrillas, against whom a drawn-out counter-insurgency campaign has been conducted since Morocco took over the province from Spain in 1975.

Chief among these is a hampering command structure which they complain makes it impossible to fight a guerrilla war effectively.

countryside to Polisario except for occasional heavily-armed forays to outlying garrisons. One military commander expressed grudging admiration for Polisario mastery of hit-and-run tactics.



Gandhi associate condemned by commission

By K. K. Sharma in New Delhi

MR. DEVRAJ URJ, Chief Minister of Karnataka State in south India and a close supporter of Mrs. Indira Gandhi, was found guilty by a commission of inquiry yesterday of eight charges of favouritism and misuse of power.

Court explains Iran executions

BY SIMON HENDERSON IN TEHRAN

THE INCOMPATIBILITY of Iran's civilian Government with the country's Muslim hierarchy became yet more obvious yesterday when Islamic revolutionary courts sentenced to death seven more supporters of the Shah's regime.

The message broadcast by Dr. Bazargan, who is a former human rights activist, was perhaps his final protest against the contempt with which his Government has been treated by the Shi'ite Muslim clergy led by Ayatollah Khomeini.

central Government. A Government committee was considering whether it would be possible to set up regional assemblies before the new constituent assembly was formed, he added.

UNION MINIERE S.A.

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Financial statement for UNION MINIERE S.A. including Balance Sheet, Profit and Loss Account, and Results of the Accounting Period for 1978 and 1977.

and again in 1973. To prevent such a recurrence, there have been few promotions. Officers are also angered that there have been no decorations or admissions of gallantry.

It controlled corruption keeps the senior ranks (particularly at home) happy, most younger officers sympathise with the political opposition in Morocco.

Political and military initiative is increasingly on Polisario's side — not least because Morocco has effectively lost its Mauritanian ally in the war.

Island of Eastern promise

TAIWAN HAS few resources beyond its fertile land and good weather for crops. All the major industrial nations have severed formal diplomatic ties with its Government and it spends enormous sums to maintain one of the largest standing armies in the world.

At the end of 1978, Taiwan's foreign reserves amounted to \$5,550bn compared with Korea's \$4,937bn.

By 1982, China Steel will have about 3.25m tons capacity (the goal is 5m tons) and will be able to produce steel sheet which at present must be imported to make appliances and motor vehicles.

Handwritten note: JP 11/15/50

Violence in California petrol queues

LOS ANGELES — Many Californians jumped queues, brandished guns, knifed each other or scuffled at the pumps on Tuesday night before the midnight deadline for the introduction of petrol rationing.

Drivers showed themselves prepared to use force to get their tanks filled before the deadline and police and other officials reported ugly scenes in queues of ill-tempered motorists.

A pregnant woman was beaten up by a man who thought she had jumped a

queue. A driver in Hollywood held off an angry crowd at gunpoint as he pumped fuel into his tank after pulling in front of 50 cars.

Many filling station attendants armed themselves with clubs or guns. Several killings were reported and there were constant scuffles and crashes as motorists who tried to sneak ahead were rammed by other drivers.

Throughout California petrol cans and lockable fuel tank caps were in short supply. In San Diego, hospitals treated about 40 people for the effects of

swallowing fuel while trying to siphon it from tanks. In Santa Ana, a family of seven were badly burned when fuel stored in their garage exploded.

After a week of petrol shortages, Californians were either "coping with the crisis or going crazy," one police officer said.

On the bright side, some filling stations had roller-skating girls, wearing shorts and smiles, selling coffee and doughnuts to the majority of drivers who patiently waited their turn.

Under Governor Brown's

rationing scheme, cars with number plates ending in odd numbers can be served only on odd-dated days and cars with even number on even days.

There seemed no single reason why the predicted worldwide oil shortage should hit California first. One theory was that Californians had increased consumption by 9 per cent in the past year—against 4 per cent for the U.S. as a whole. Petrol companies, however, made deliveries based on consumption a year ago.

Reuter

19 die in El Salvador gun battle

AT LEAST 19 people were killed and 38 injured when leftist gunmen who had been holding San Salvador's cathedral since last Friday, fought a pitched battle with security forces in front of the building.

Rioting also broke out when other members of the Popular Revolutionary Bloc burned buses in San Salvador.

The battle erupted shortly after a demonstration called by members of the Bloc fizzled out. But groups of leftists went into the streets and snipers opened fire when security forces approached the cathedral.

Red Cross officials, allowed into the cathedral area soon after the shooting, evacuated at least 30 wounded, some of them in critical condition.

But 30 members of the Revolutionary Bloc who had been occupying the cathedral and about 50 other members of the organisation, who took refuge there to escape the shooting, said they would stay until their demands were met.

Meanwhile, three gunmen remained in the Costa Rican Embassy, after Sr. Julio Esquivel Valverde, the Costa Rican Ambassador, and four other hostages had escaped.

Another 16 gunmen were still holding five hostages, including French Ambassador M. Michel Dondenne, at the nearby French Embassy.

Agencies

Uniroyal tyre workers called out on strike

BY STEWART FLEMING IN NEW YORK

THE United Rubber Workers' Union yesterday launched the Carter Administration's wage second major challenge to the guidelines when it called a strike against the weakest of the three major tyre companies, Uniroyal.

After more than two weeks of fruitless pay negotiations when the union's contract with the rubber industry expired on April 20, Mr. Peter Bommarito, the URW President, called 12 Uniroyal plants out on strike, making some 8,200 employees idle across the country. A union spokesman said that no contract negotiations are scheduled.

Last month the first challenge to the wage guidelines ended after a 10-day strike, when the Teamster's Union settled for a three-year increase of around 30 per cent, a rise which was seen to have stretched the policy to its limits if not beyond.

Mr. Bommarito has been following a more cautious negotiating approach compared with three years ago when the previous contract was settled. He called then for strikes against all the major rubber companies and his members were out for close to three months, creating dissension within the union.

Uniroyal is widely assumed

to be able to withstand a strike without serious impact on its profits for four to six weeks. A key plant in Oklahoma which produces about half of its radial tyres is not on strike because it is not unionised. In addition, it is believed to have built up substantial stocks.

The rubber workers have made no secret of their determination not to be forced to succumb to the Carter Administration's wage guidelines. Uniroyal claims to have exploited all the loopholes in the guidelines to be able to offer a 28-29 per cent wage increase over the three-year contract.

Provincialism dogs oil debate

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE UNITED STATES Senate was yesterday moving uncertainly towards a vote on President Carter's proposed standby petrol rationing plan, after a series of bewildering parliamentary manoeuvres and Administration concessions, which showed the White House at its most unsure and Congress at its most parochial.

The House of Representatives will probably vote on the package either today or Friday. If either chamber balks by the Friday deadline, then all or parts of Mr. Carter's plan will be dead.

On Tuesday the Senate Energy Committee first reversed an earlier motion approving of the

petrol rationing plan, then reversed itself again after the Administration offered changes favouring the larger rural states, in which people customarily drive greater distances.

At the same time, the Senate voted overwhelmingly against another part of the package—a week-end closing of filling stations—thereby apparently consigning it to oblivion. There is thought to be little chance of the proposed ban on outdoor electrical advertising being approved, though mandatory temperature control on public buildings has a good chance of passage.

The White House concessions

on the rationing plan were delivered at the last minute, after it dawned on the administration that prospects for success were receding fast.

In fact the Administration was being bombarded with demands from Senators representing particular constituencies: on the Energy Committee, the Senator from Hawaii wanted special concessions for the sugar and pineapple industries, those from Kentucky and Wyoming for agriculture in general, and from Oklahoma that the state's oil industry be allowed enough oil to continue searching for oil.

All of which prompted an outburst from Senator Lowell

Weicker, the Connecticut Republican, who caustically observed: "I haven't seen how this (the latest White House plan) affects Connecticut, and, gentlemen, I don't care. Stop nitpicking every plan we get down here. Provincialism is getting in the way of the national interest."

Meanwhile the House of Representatives voted strongly in favour of the principle of closing foreign tax loopholes enjoyed by oil companies, indicating that the mood of Congress is not to allow the oil industry to reap undue returns from the President's decision gradually to remove federal price controls from domestic oil production.

Sabotage inquiry at nuclear plant

WASHINGTON—The Federal Bureau of Investigation is probing possible sabotage of nuclear fuel rods at a nuclear power station in Virginia, the Nuclear Regulatory Commission (NRC) said yesterday.

The Virginia Electric Company said it found a white crystalline substance on 62 of 64 rods at its Surry plant near Norfolk.

The 12 ft long rods, made out of zirconium with uranium pellets inside them, were being kept in a storage building for use later this summer, the NRC said.

Sabotage had not been proven and no one had claimed responsibility for the incident, but the FBI had been called in to investigate.

The company said preliminary indications were that the fuel was not damaged by the substance, although the rods might have to be replaced.

The Surry plant was one of five shut down by the NRC in March because the agency was not sure it could withstand earthquake damage. It is expected to reopen soon.

Reuter

Miller joins talks on Euromarket control

BY DAVID MARSH

TALKS between major central banks on the possibility of introducing reserve requirements on Euromarket bank deposits are now in a "definite exploratory stage," one of the participants at this week's central bankers' discussions in Basle, said yesterday.

The subject was aired, along with other possible methods of improving control of the Euro-markets, at a meeting last Sunday between Mr. William Miller, chairman of the U.S. Federal Reserve Board, and other central bank governors. Their discussions preceded the regular monthly central bankers' sessions at the Bank for International Settlements, held on Monday and Tuesday.

Mr. Miller, who, like his predecessor, Dr. Arthur Burns, takes part in the meetings two or three times a year—brought with him a working paper drawn up by the Fed outlining ideas for reserve requirements. These would extend to Euro-market deposits the system of regulatory minimum reserves which national banking authorities already impose on banks' deposits of domestic currencies.

It is by no means certain whether a system of Euro-market reserve requirements will eventually be agreed, as there remain wide differences among central banks on whether such a move is either needed or would work. The Bank of England is felt particularly to be opposed.

However, it was reported that there was now a common will among central banks to explore ways of controlling the rapid growth of the Euromarket, which reached a gross size of some \$860bn at the end of last year.

The imposition of reserves requirements—which would have to be done on a concerted basis



Mr. Miller at Basle meeting

—said to be just one of the methods under discussion.

The subject of better Euro-market control has been under discussion at central bankers' meetings in Basle for some months. The West German Bundesbank in particular feels that the fast growth of external currency holdings has contributed to foreign exchange market instability, and has also led to an over-expansion of international liquidity.

The latest discussions in Basle follow the introduction of a Bill in the U.S. House of Representatives last week to impose reserve requirements on Eurocurrency holdings of U.S. banks and their foreign branches. However, the requirements would be imposed only over a period of four years and after most other important countries had also introduced them.

Venezuelan plan for extra OPEC aid

BY KIM FUAD IN CARACAS

A PROPOSAL for increasing and liberalising aid by the Organisation of Petroleum Exporting Countries to non-oil developing nations will be handed to key OPEC members by Venezuelan Energy Minister Dr. Humberto Calderon Berti, who is on a two-week tour of the Middle East and North Africa.

"This is the most important initiative that the organisation can take this year," Dr. Calderon said in an interview before his departure. The proposal, to be presented formally to the OPEC conference in Geneva next month, calls for injecting an additional \$500m into the OPEC special fund, which currently holds only \$400m of the original \$1.5bn funding.

Venezuela will also propose widening eligibility for receiving OPEC aid. At present, only four Latin American and Caribbean states—Bolivia, El Salvador, Honduras and Haiti—receive such aid. Venezuela would like to see other OPEC countries share its burden of aiding Central American and Caribbean nations. This aid cost Venezuela around \$25m last year, for a total of \$245m since 1975.

Politically, Dr. Calderon is concerned over what he describes as a "worldwide movement promoted by industrialised nations to turn non-oil developing countries against OPEC." In March four Latin American heads of state and Spanish Premier, Adolfo Suarez, in Caracas to attend the inauguration of President Luis Herrera Campins, issued a statement

criticising OPEC oil price hikes and demanding aid. One Costa Rican President Rodrigo Carazo, has been active in promoting an Organisation of Petroleum Importing Countries (OPIIC) to pressure Venezuela for better oil price terms.

Dr. Calderon said Venezuela will propose mechanisms to its OPEC colleagues to soften the impact of spiralling oil prices on developing countries. While he did not reveal details, there has been speculation that such aid could come through the use of premiums paid by industrialised nations above OPEC's marker crude price. This "Robin Hood thesis" of taking additional funds from the richer countries for distribution among poor nations has won support from a number of Venezuelan officials. Others warn, however, that such a system could generate a dangerous reaction.

The Venezuelan Minister said he believes the OPEC special fund may eventually be transformed into an "OPEC bank," an idea posed unsuccessfully by former Energy Minister Hugo Perez La Salvia. Such a bank would offer non-oil developing countries long-term, low-interest credits for developing their own energy sources.

While Mr. Calderon is overseas, Venezuela and Canada's state oil company are drafting terms for a major government-to-government oil supply accord aimed at partially replacing major international oil companies currently moving Venezuelan oil to Canadian markets.

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Korean link in money violations

By Charles Smith, Far East Editor, in Tokyo

JAPAN'S foreign exchange and film are the chief U.S. exports likely to benefit from the Japanese Government's pledge to try to implement tariff reductions...

The NPA says it carried out fewer successful investigations of illegal exchange transactions in the last year, but the amounts involved were much larger than before...

However, large scale exchange control violations involving illegal exports, bribery and gambling have been increasing at a fast rate. More than 90 per cent of illegal transfers of money into Japan involved South Korea for the 12-month fiscal period ending on March 31, this year.

The "boom" in foreign exchange control violations, which could be running at a level about one hundred times greater than that of successfully investigated cases, is put down to recession conditions in Japan and the need of small businessmen to find ways of making a living by legal or illegal means.

Typical instances of cases uncovered during 1978 include a gold export syndicate in Shinonoseki which sold an abnormally large amount of gold to South Korea over an 18-month period, and a Tokyo businessman who signed a contract with the Philippines for the supply of 1m hand grenades...

Another category of cases uncovered by the NPA involves the understatement of quantities of goods shipped to countries maintaining export restraint agreements with Japan and the over-invoicing of exports into Korea as means of enabling Korean importers to accumulate illicit foreign exchange accounts in Japan.

Tokyo's trade concessions seen by U.S. as ineffective

By DAVID BUCHAN IN WASHINGTON

COMPUTERS, semi-conductors and film are the chief U.S. exports likely to benefit from the Japanese Government's pledge to try to implement tariff reductions...

Japanese steelmen visit Mexico

By WILLIAM CHISLETT IN MEXICO CITY

A HIGH-LEVEL Japanese steel mission is in Mexico to discuss Japan's interest in helping Mexico to expand its steel industry and enlarge its ports.

The delegation is the highest of its kind to visit Mexico since Sr. Jose Lopez Portillo became President at the end of 1976, and it demonstrates Japan's increasing interest in oil-rich Mexico.

Pye NZ in China TV production talks

By MAURICE SAMUELSON

A NEW ZEALAND company, Pye Electronics, is holding talks with Chinese technicians about the feasibility of producing television sets in China.

The Chinese are understood to be interested in a short-term, small-scale agreement, under which Pye would provide technical aid as well as components or kits.

Mr. Wolf confirmed that President Carter and Prime Minister Ohira had both committed themselves to a resolution of this Government procurement dispute before the end of June, the date set for the seven nation economic Summit which Japan will be hosting in Tokyo.

So far the negotiations, Mr. Wolf said, have been stymied on the issue of communications contracts because the Japanese side has simply reeled off lists of specifications for such contracts, asserting that U.S. companies could not possibly meet them.

said, "but at least we should be allowed to try."

The opening of foreign government procurement to U.S. companies is what the Administration sees as the largest single benefit to the U.S. emerging from the GATT trade agreements.

Under bilateral agreements already reached on this, Mr. Wolf estimated that a new export market worth \$20bn (with-out Japan) would be opened up to American business.

The Carter Administration is still confident it can stick to its tight timetable for passage of the GATT agreements through Congress by August.

The legislation will be formally introduced on June 1, but because it cannot by law be amended in the committees or on the floor of either house of Congress, its consideration by Congress is likely to be reasonably speedy.

Tanzania drops UK double tax accord

By David Freud

TANZANIA has become the second black African country to revoke its double tax agreement with the UK.

It has given notice that the present agreement, which dates from 1962, will cease to have effect from the beginning of next April.

From that date there will be no arrangements to prevent companies and individuals being taxed by both countries on the same set of profits.

Tanzania is the UK's sixth largest export market in Africa, taking \$115m in visible exports last year. While the money involved is not substantial, the Tanzanian action is significant because the country is regarded as a leading member of the non-aligned Third World.

The revocation of the UK treaty could represent a toughening attitude in the Third World to taxing management fees.

The Tanzanian move comes after Nigeria—Britain's most important export market outside Europe and the UK—revoked its UK treaty last summer, as well as those it had with eight other countries.

It is not known whether Tanzania has broken off double tax arrangements with countries other than the UK. However, there have been severe strains recently in tax relations with the U.S.

There have been two sets of talks between Tanzanian and British tax officials since the beginning of 1977, aimed at reaching a new comprehensive agreement.

However, the talks broke off without conclusion a year ago, and the Tanzanian announcement that the old agreement would be terminated anyway is likely to represent an attempt to put pressure on the UK.

One of the main sticking points in the talks is likely to have been the 20 per cent withholding tax on gross management, professional and entertaining fees imposed by the Tanzanians.

The U.S. Internal Revenue Service announced last year that the withholding tax was not creditable against U.S. taxes, although withholding taxes on dividends, royalties and interest were creditable.

The UK authorities are also likely to be taking a hard line against the management fee withholding tax.

£5m Leyland sales deal

AN ORDER from Tanzania worth more than £5m has been announced by Leyland Vehicles, the truck, bus and agricultural tractors wing of BL. The sales deal involves nearly 300 vehicles, including chassis for bus and truck use.

Production will be at the Leyland Vehicles Albion plant in Glasgow.

Soviets raise oil price

The Soviet Union, which supplies approximately 70 per cent of Finland's oil, has raised the price of crude by 70 Finnish marks (£8) per tonne in line with world oil price movements.

Dragline excavators

Ransomes and Rapier, an engineering company of Ipswich, has finalised a £5m deal to export walking dragline excavators to Jordan.

Italian-Saudi venture

Societe Generale Immobiliare-Sogem SpA (SGI) has announced it has signed a £70m joint-venture agreement with a Saudi Arabian company for the construction of a 1,300-apartment complex and of a plant to produce prefabricated building units.

Hungarian hotel

A consortium of two major Austrian construction firms, Universale and Porr, has captured the largest Hungarian hotel construction order ever awarded for a foreign company.

£10m asbestos contract

Atlas Turner, a Canadian subsidiary of Turner and Newall, the Manchester-based engineering and industrial materials group, has been awarded a five-year contract worth £323m (£10m) to supply asbestos-impregnated panels for cooling towers at power stations in the U.S.

Air France places order worth £400m for 33 Airbus

By MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIR FRANCE has placed one of the biggest individual orders so far for the European Airbus—33 aircraft, worth including spares well over £400m.

The order includes 13 of the 290-seat A-300s, and 15 of the new smaller, 200-seat version, the A-310.

Of the 33 aircraft, 11 (six A-300s and five A-310s) will be delivered between 1979 and 1984, while 22 (12 A-300s and ten A-310s) will be delivered between 1984 and 1990.

Together with earlier Air France orders for 17 Airbusés, the new contracts will bring that airline's eventual fleet of the European wide-bodied jets to 50 aircraft.

The new contracts will bring to 327 aircraft the number of Airbusés sold to date (including options) of which 220 are A-300s and 107 A-310s.

The order is good news for British Aerospace, which has a 20 per cent stake in Airbus Industries, and builds the wings for all A-300s and the new A-310s, with an overall design consultancy role for the entire Airbus programme.

McDonnell Douglas has announced that Japan Airlines have bought five more DC-10 series 40 Tri-jets scheduled for delivery in late 1979 and early 1980.

Reuter writes from St. Louis. The new purchase will increase the airline's DC-10 fleet to 14. The value of the order was not disclosed.

Impo Expo to boost Third World component sales

By PATRICIA NEWBY

FIFTY developing countries, about half of them from the Commonwealth, are expected to participate in the London Impo Expo 1979 trade fair to be held in the Wembley Conference Centre from July 23-27.

It is the second Impo Expo exhibition organised by the UK Trade Agency for Developing Countries (UKTA). The 1976 exhibition resulted in £25m worth of orders being placed.

Mr. Ian Laprak, UKTA's chief executive, told a Press conference yesterday that the exhibition and accompanying symposium was aimed at assisting developing countries break into EEC and Scandinavian markets.

Emphasis would be on sales of semi-manufactured goods, especially components, rather than traditional commodities. He hoped large UK and European manufacturers would be at the exhibition placing firm orders for components.

India will demonstrate automatic electrical controls for refrigerators and air conditioning.

Israel's export volume declines

By I. DANIEL IN TEL AVIV

WHILE ISRAEL'S visible exports in the first quarter of this year increased by a nominal 11.8 per cent to \$1,050m (£500m) from \$938.9m in the same period last year, they did in fact not increase, taking into account the fall in the value of the dollar.

As export prices have risen by an estimated 20 per cent, the volume was actually down.

Agricultural exports, however, showed a real increase, having risen by 29.3 per cent to \$233.5m in the first quarter of this year, with income from citrus exports up 44.5 per cent to \$138.1m.

Salzgitter in £62.5m Iraqi deal

By Roger Boyes in Bonn

IRAQ HAS placed orders worth DM 250m (£62.5m) for two brick factories and five liquefied petroleum gas tanks from subsidiary companies of Salzgitter, the West German engineering and steel group.

The largest order was won by Salzgitter Stahl, the Dusseldorf-based trading subsidiary, which has agreed to build two automated brick factories for DM 150m within 18 months. The company indicated that the short construction time was a crucial factor in winning the contract against competing European contractors.

Salzgitter will be working closely with the Hanover concern Karl Walter, a leading West German brick kiln design and construction specialist, which will undertake delivery and operation.

A second order for DM 100m (£25m) was placed with the Salzgitter subsidiary Geop Noell which is to supply LPG storage tanks for a large liquefaction plant near the port of Basrah.

The construction of the tanks, three of which are designed for propane gas and two for butane, will begin in the summer and are expected to come on stream at the end of 1981.

Brazil's trade deficit rises in first quarter

By Diana Smith in

BRAZIL'S trade deficit reached \$397m (£195m) in the first quarter of this year with a \$94m deficit in March. Trade experts are predicting a year-end deficit of at least \$1.5bn compared with \$988m in 1978.

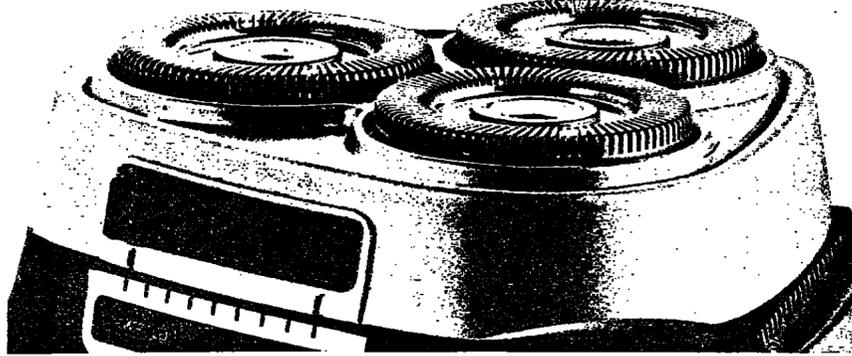
Official trade figures for the first quarter reveal an underestimate of the deficit originally reported for the first two months of the year. This was first quoted as \$255m; the figure now given, without explanation, is \$303m.

Imports for the first quarter rose by 16.4 per cent compared with 1978; oil imports declined slightly due to the Iranian crisis and represented 29 per cent of the total bill, whereas normally they account for well over 30 per cent.

The reserves were comfortably at \$11.9bn in December but the authorities had hoped a modest trade surplus might offset current account problems.

Other current account problems include increases, and the effect of local floods and drought earlier this year, dashed the hopes.

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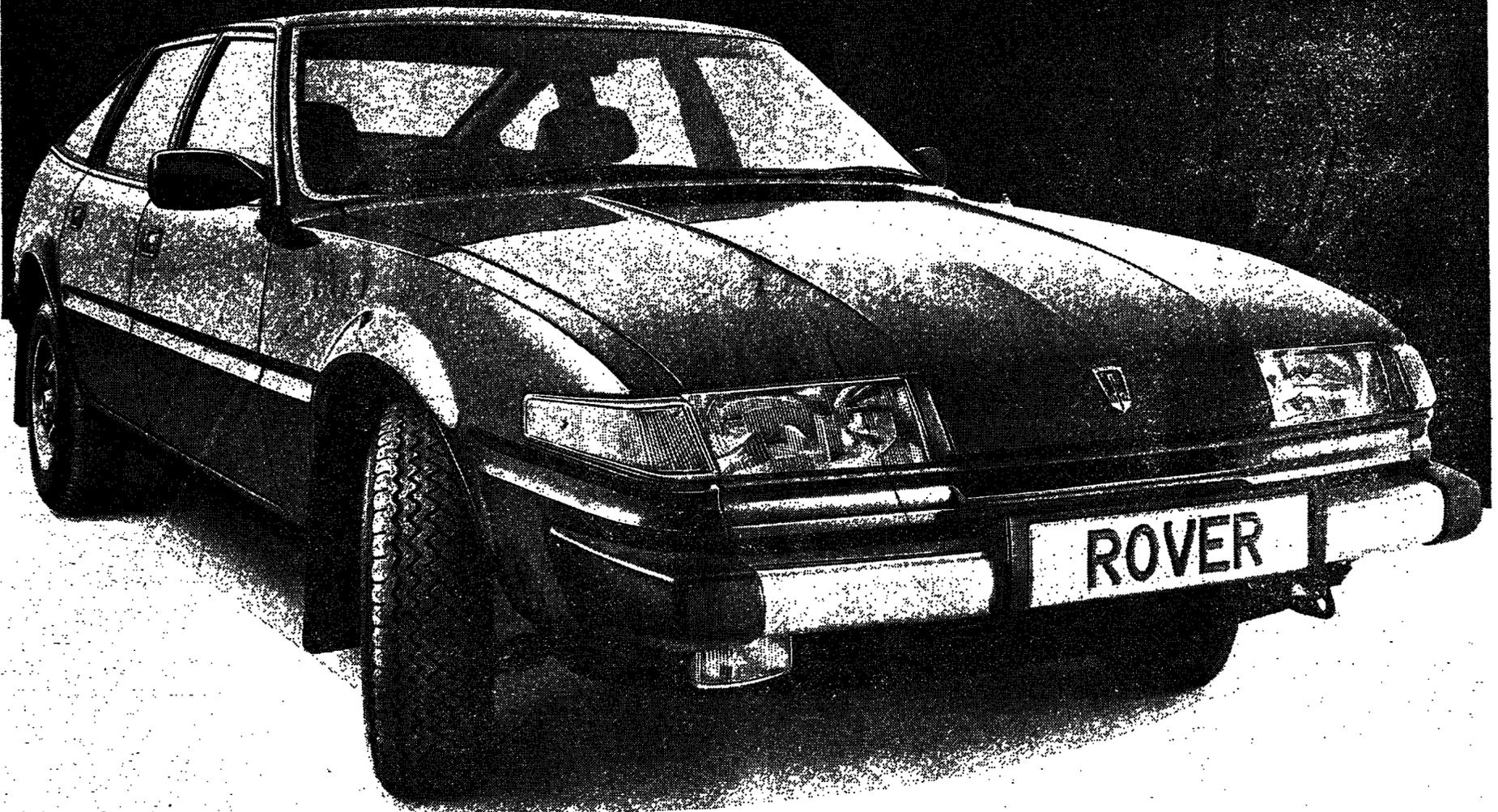


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Key role for Butler in Tory NEB policy

By JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE TASK of implementing Conservative proposals to restrict the powers of the National Enterprise Board will fall on Mr. Adam Butler, Minister of State at the Department of Industry.

This became apparent yesterday when some main departments in the new Government announced the various roles allotted to ministers.

The importance attached to small firms by the Conservatives is emphasised by the fact that Sir Keith Joseph, Industry Secretary, will be taking personal responsibility for this sector. He will be assisted by Mr. David Mitchell, Under-Secretary for Industry, who was chairman of the Conservative smaller-business committee.

Mr. Butler, former Parliamentary Private Secretary to Mrs. Thatcher, will have responsibility for the NEB and its subsidiaries. He will also be responsible for aerospace, shipbuilding and shiprepairing, the Post Office, steel (including the private sector), Cable and Wireless and research and development.

Mr. Butler, a former director of various Courtaulds divisions, thus emerges as one of the most powerful men under Sir Keith.

The other Minister of State at Industry, Lord Trenchard, will be primarily responsible for the private sector and regional policy. The ticklish question of any requests from industry for government assistance will come to him. A former executive director of Unilever, he will be the department's spokesman in the House of Lords.

At the Department of Trade

Mrs. Sally Oppenheim, Minister for Consumer Affairs, takes over both consumer affairs and competition policy.

Mr. Cecil Parkinson, Minister for Trade, will have under his wing overseas trade policy, commercial relations and tariffs, Exports Credits Guarantee department and the British Overseas Trade Board.

The Under-Secretary for Trade, Mr. Norman Tebbit, has special responsibility for civil aviation, marine and shipping policy, tourism, hotels and travel, and the newspapers, film and publishing industries. Mr. Tebbit was a journalist and an airline pilot.

Energy post

Mr. Reginald Eyre, the other Under-Secretary at Trade, takes over supervision of companies and insurance, the Insolvency Services, the Patents Office and the distributive and service trades.

At the Department of Energy Mr. Hamilton Gray, Minister of State, will be deputy to Mr. David Howell, the Energy Secretary. Mr. Gray will be especially concerned with offshore oil and gas and with the UK Continental Shelf operations as a whole, including the offshore supply industry.

Mr. Norman Lamont, Under-Secretary for Energy, will be concerned with the electricity supply industry, nuclear energy, distribution of gas and EEC energy matters.

The coal industry and energy conservation will come under Mr. John Moore, Under-Secretary. He will also work on alter-

native sources of energy, research and development and will assist Mr. Gray with the offshore supply industry.

All the Northern Ireland Office Mr. Humphrey Atkins, the Secretary of State, will oversee political and constitutional matters, security policy and operations. Other major policy issues—particularly public expenditure in the province—will be dealt with by him.

Mr. Michael Alison, Minister of State for Ulster, will take over prisons, police administration, compensation for criminal injuries and health and social security.

Mr. Hugh Ross, the other Minister of State for Northern Ireland, will deal with finance manpower services and the civil service. Of the three other Ulster Under-Secretaries Mr. Philip Goodham will have environment and education, Mr. Giles Shaw, commerce and agriculture, while Lord Elton will deal with education and be the House of Lords spokesman on Northern Ireland.

Mr. George Younger, the Scottish Secretary, announced that the problem of unemployment in Scotland will be dealt with directly by himself. Lord Mansfield, Minister of State, will act as his deputy and will be responsible for agriculture and fisheries and the Highlands and Islands.

Of the three Scottish Under-Secretaries, Mr. Alexander Fletcher will deal with industry and education, Mr. Russell Fairgrieve, health and social work and Mr. Malcolm Rifkind, home affairs and environment.

Britain to stress goodwill to EEC

By David Marsh

LORD CARRINGTON, the Foreign Secretary, will meet his counterparts from EEC countries at an informal meeting of Common Market Foreign Ministers at Chateau Mercures in the south of France this weekend.

The talks are part of a regular series of sessions which allow Foreign Ministers to meet informally without a fixed agenda.

Lord Carrington has good contacts with ministers of several EEC countries from his previous experience in office. He is likely to use the meeting to confirm that the Conservative Government will adopt a more positive attitude to the EEC than its predecessor. This early impression has already been welcomed in European capitals.

The talks, taking place on Saturday and Sunday near the town of Cahors, are likely to be held in secrecy. Lord Carrington is likely to be closely questioned, particularly on the new British government's policies towards Southern Africa and the European Monetary System.

He will meet Herr Hans-Dietrich Genscher, West German Foreign Minister, for the second time in two days. Herr Genscher is accompanying Herr Helmut Schmidt, the West German Chancellor, for talks in London today and tomorrow with Mrs. Thatcher and senior ministers.

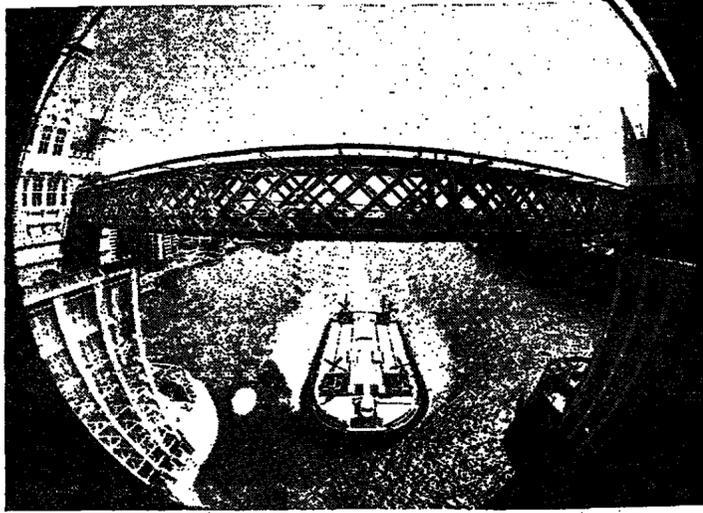
Lord Carrington continued his work at the Foreign Office yesterday, with the allocation of area responsibilities among his Ministry team.

Sir Ian Gilmour, the Lord Privy Seal, who will speak for Lord Carrington in the House of Commons, will be responsible for Europe, Africa and the Commonwealth. He will also, in Lord Carrington's absence, deputise for him at the main meetings of Common Market Foreign Ministers.

Mr. Douglas Hurd, one of the four Ministers of State at the Foreign Office, will be responsible for defence matters, the Middle East and the United Nations. Mr. Hurd is a dedicated pro-Marketeer but will have no formal responsibilities for Common Market questions.

Mr. Nicholas Ridley will be responsible for North, Central and South America, and the Caribbean. He will share responsibility with Mr. Hurd for economic matters affecting the Foreign Office. Mr. Peter Blaker will handle East-West relations, Asia, Australia and general Commonwealth affairs.

Mr. Neil Marten will deal with overseas development and aid—previously the responsibility of the Overseas Development Ministry, which has now been merged into the Foreign Office. Mr. Richard Luce, Parliamentary Under-Secretary, will look after passport, immigration and consular matters, and will also have responsibility for Africa.



A "fish-eye" view of Tower Bridge as the world's largest hovercraft, The Princess Margaret, passed into the Pool of London yesterday. The craft can carry 416 passengers and 60 cars at speeds of up to 60 knots.

Seaspeed seeks double share

By IAN HARGREAVES, TRANSPORT CORRESPONDENT

SEASPEED, the joint British and French Railways cross-channel hovercraft company, aims to capture almost 18 per cent of the short-sea passenger market this year—more than double last year's share.

The company, which yesterday took delivery of its second enlarged super-4 hovercraft, The Princess Margaret, from the British Hovercraft Company, will be offering 3m seats this year, almost double the capacity offered in 1978. It hopes to fill half the seats offered.

Mr. Alan Tame, Seaspeed's marketing director, said he was confident that this year the company would move into profit after a £2.3m loss last year, when operations were

severely curtailed by technical problems.

Most of these problems concerned the French-built N500 hovercraft, which is still experiencing technical difficulties and which will be used only for off-peak services this summer.

Seaspeed's objective is to cut the number of days out of service for weather or mechanical reasons to less than 5 per cent, compared with 30 per cent last year, when many holidaymakers were forced to transfer at the last minute to conventional ferries.

The super-4 has shown in recent tests that it is able to operate in force eight winds

and four-metre waves, compared with 2.5 metres for the SRN4.

Mr. Tame said that advance bookings this year were more than double those in the same period last year, when cross-Channel bookings generally were 12 per cent lower in the first three months.

An improvement has been made to the skirt design of the super-4 to prevent recurrence of an accident last September, when a 135-foot hole was torn in it.

"We have had three months of completely trouble-free operation and I believe that that has been enough for the travel agents to forgive us for last summer's problems," said Mr. Tame.

Management manifesto calls for common policy in EEC

By LISA WOOD

THE NEED for management throughout the European Economic Community to continue to develop a common approach on major issues was emphasised yesterday by Sir Derek Exra, vice-president of the British Institute of Management.

Sir Derek was launching in the UK the European Management Manifesto which was drawn up by the British Institute of Management and six other EEC management and industrial organisations to spell out to Governments of EEC member states and to candidates for the European Parliament what community policies managers would like to see adopted.

The three main topics discussed in the manifesto are the need to maintain economic growth and employment; to adapt to changes in world trade and to respond to new social aspirations.

Sir Derek, chairman of the National Coal Board, said yesterday: "It is essential that management's views should be made known in the European Parliament, as well as to the Commission, the Council of Ministers and other Community institutions."

He refuted criticisms that the manifesto's guidelines for action were so general as to make them non-concretisable. He said that the manifesto was a product of the first initiative of

management in the community to come together and formulate common views. The intention was to meet again, after the European Parliamentary elections, to decide what form of continued representation would be made.

He said the manifesto took a lot of discussion before a common agreement of a positive nature was reached. "We are living in the context of a European market and we will have to adapt to that fact," he said.

A further consequence of the manifesto, he said, was that European management institutions would be exchanging views on common problems such as unemployment.

Government to give consumer interests higher priority

By DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

RENAMING of the Department of Trade to take account of its merger with the Department of Prices and Consumer Protection is being considered in Whitehall.

The new department would be called the Department of Trade and Consumer Affairs and its top civil servant is expected to be Sir Kenneth Clucas, who was previously Permanent Secretary at the now defunct Department of Prices.

The likely appointment of Sir Kenneth and the possible renaming of the department would ensure that the wider issues of consumer affairs and competition were given a high priority in the new Government.

Such issues include policy on monopolies, mergers, and restrictive trade practices as well as what to do with the Price Commission. The Conservatives' long-term policy for keeping prices in check is one of more effective competition rather than strict price control.

The remaining of the Department would also go some way

to reassuring the consumer organisations upset by the prospect of the consumer's voice being downgraded by the new government.

The Consumers' Association, which is financially and politically independent of the Government, welcomed the possibility that the department would be named to emphasise its consumer role. It pointed out that this would make it similar to the Canadian Department of Corporate and Consumer Affairs.

Although Mrs. Sally Oppenheim will be the Minister responsible for consumer affairs and competition policy, Mrs. John Nott as the Secretary of State would represent their interests in the Cabinet.

One of his first jobs could be to closely examine the present work-load of the Price Commission to determine whether any of its present investigations should be vetoed. There has been speculation that Mr. Nott could use his power of veto to end the freeze on bread prices announced the week before the General Election.

Mr. Neil Marten will deal with overseas development and aid—previously the responsibility of the Overseas Development Ministry, which has now been merged into the Foreign Office. Mr. Richard Luce, Parliamentary Under-Secretary, will look after passport, immigration and consular matters, and will also have responsibility for Africa.

Ian Gow is Thatcher PPS

MRS. THATCHER has appointed Mr. Ian Gow, Conservative MP for Eastbourne, as her Parliamentary Private Secretary. It was announced from 10, Downing Street, last night. The post, an unpaid one, usually leads to ministerial office.

Duties involve making sure the Prime Minister has with her all the documents necessary for question time or for speeches in the House and generally as an intermediary between her and MPs. Mr. Gow, a solicitor, is 42, and has been MP since February 1974.

Why small is not beautiful for Monsanto's nylon

THE MAIN reason why the U.S.-based Monsanto plans to close its European nylon fibres operation, with a loss of 2,300 jobs, 1,500 in the UK, is that its business on this side of the Atlantic is too small to compete successfully.

The closure of the group's six European nylon plants is almost inevitable and nearly entirely unexpected. One plant is at Dundonald, Ayrshire; another at Cumnock, also in Scotland; two in County Durham; one at Echternach, Luxembourg; and one at Wittlich, West Germany.

The International Federation of Chemical, Energy and General Workers' Unions started condemning the expected closures before the

plans were finally announced yesterday.

The Transport and General Workers' Union, whose members will be hardest hit by the shutdown in the UK, is not consulting all the UK trades unions involved. Some members of the Association of Scientific, Managerial and Technical Staffs are also likely to lose their jobs.

It added that it would give found no long-term business approach to resolve the losses. Its decision to cut 2,300 jobs in Europe is likely to surprise the Transport and General Workers' Union, whose members in the UK will be hardest hit by the closures.

Since then the overall operation has lost constant scrutiny. Two-thirds of the loss was accounted for by the group's plants in Luxembourg and West Germany.

Although the group has understood to have expected the federation's predictions to be fulfilled. Yesterday's announcement took it rather by surprise.

Monsanto said it would fully

fullest consideration to any proposal that might save the plants. It pointed out, however, that its study of the position of its nylon operation in Europe had been "pretty comprehensive."

Monsanto first realised that its European nylon business was in difficulties in 1975, 10 years after it opened its plant at Dundonald. In that time the entire operation has suffered losses of \$63m (£31.5m) and has been under constant scrutiny.

The two continental plants accounted for more than two-thirds of the total loss during the period. Pre-tax losses on the UK operations were £8,939m.

Several attempts were made to halt the rising losses, including cost-reduction programmes, reconstruction of the marketing, sales and technical organisations and even minor investment in more modern equipment. But yesterday, Mr. Eric Sharp, chairman of Monsanto's UK

subsidiary, admitted that all those efforts had failed. He added that there seemed to be no "viable, long-term business approach to solving this very difficult problem."

Perhaps the nub of the difficulty is that Monsanto has only 4 per cent of the West European nylon market and its fibre-producing plants at Dundonald and in Luxembourg have annual capacities of only 16,300 tonnes. (The other four plants are for texturing or for fibre processing.)

The group ranks ninth among European main producers, which include the Dutch-based Akzo, the French-based Rhône-Poulenc, the German-based Bayer, the Italian-based Montedison, and the UK's Imperial

Chemical Industries. It admits it is "a poor ninth."

Monsanto produces nylon 66 as opposed to nylon 6. As far as the consumer is concerned there is little difference between the products but production of nylon 6 can be economically viable with a smaller plant than can nylon 66.

Fibre producers estimate that a nylon 66 plant needs an annual capacity of about 50,000 tonnes to be economically viable, whereas a nylon 6 plant might be as small as 20,000 tonnes and still profitable.

Those estimates are rough and ready, but even allowing for a hefty margin of error, Monsanto's two European producing plants are clearly too small.

British Rail seeks daily train speed records

By Our Transport Correspondent

BRITISH RAIL plans to set a European record for regular daily trains when its new timetable comes into operation on Monday.

The 8 am service from King's Cross to Barwick and the 9.05 am, King's Cross to Harrogate service are both timed to average 106.25 mph between stops.

The new timetable brings full introduction of the Inter-City 125 service to the East coast main line and provides for improved trans-Pennine services and some new routes involving the Midlands and Wales.

Crockford move

Crockford's Club, in St. James's, London, yesterday applied for "clarification" of its licence to allow the serving of intoxicating liquor in a room where games of equal chance take place.

The Board of the Green Cloth, which heard the application in Buckingham Palace, deferred a decision until Crockford's could tell it the usual practice in South Westminster, where most London casinos are situated.

Hoover dismissals

Another 218 redundancies have been declared at Hoover's washing machine factory in Merthyr Tydfil, South Wales, as part of the company's cost-cutting rationalisation programme. The number of jobs lost there over the past six months now totals 500, reducing the workforce at Wales's largest private manufacturing plant to 4,700.

Rebuilding cost

The cost of rebuilding a house or bungalow rose by 8.5 per cent in the eight months to the end of March, according to figures released by the British Insurance Association. It said that if the cost of rebuilding a house in July was £25,000, it would now exceed £27,000.

Second vote sought

Commercial ratepayers should have greater control over local government spending through a second vote at local elections, the National Chamber of Trade says.

A motion calling for "no taxation without representation" was carried overwhelmingly at the end of its three-day conference in Bournemouth, attended by 400 delegates.

Industrial tour

Thirty industrialists from the South-East began a two-day tour of South Yorkshire and South Humberside yesterday to look at factory sites, commercial centres, and public and private housing sites. The tour, which starts in Doncaster, is one of a series organised by the Yorkshire and Humberside Development Association.

More immigrants

The number of immigrants to Britain in the period July to September 1978, exceeded emigrants for the first time in two years, according to the latest figures published by the Office of Population Censuses and Surveys. Altogether 71,100 entered and 68,600 emigrated, a net gain of 2,500, compared with a net loss of 10,500 in the corresponding 1977 quarter.

Case against prisons

No additional resources should be devoted to the UK prison system and prison building should be stopped, two senior criminologists said yesterday in evidence to the prison inquiry, chaired by Mr. Justice May, Mr. Rodney Morson, of Bath University, and Mr. Roy King, of Southampton University, said that the proportion of prison buildings compared very well with the provision of hospitals and lagged only just behind the school building programme.

Kennedy calls for U.K. move on Ulster power-sharing

By OUR BELFAST CORRESPONDENT

U.S. SENATOR Edward Kennedy has called on Britain to consider withdrawing the constitutional guarantee that Ulster will remain in the United Kingdom, unless the majority Protestant community agrees to some form of power-sharing government.

Senator Kennedy said that simply resting on the present declared position had failed to produce or generate any alternative.

In an interview published yesterday in the Belfast Telegraph, but given before the General Election, he said he and other Irish-American politicians, including Senator Tip O'Neill, the Speaker of the House of Representatives, were looking for an initiative from a new British Government.

This would have to create conditions in which the Ulster parties had to decide the issue for themselves, he said.

"I would certainly welcome power-sharing in the North as

part of any future solution."

Unless there was going to be a willingness from Protestants to move towards shared power—the shape of which had to be determined within Ulster itself—he hoped Britain would consider withdrawing the constitutional guarantee.

Evolution

The Senator, who favours the long-term reunification of Ireland, described as constructive and positive recent proposals on a federal Ireland solution put forward by Dr. Garret FitzGerald, leader of the Fine Gael opposition party in the Republic.

"I am very mindful of the fact that there is increasing evidence that the North has increasing economic interests with the South, as a result of EEC actions and others," said Senator Kennedy.

The EC had opened up new opportunities for economic co-

operation and exchange, he said.

"The influence of the Irish Republic on the Ulster debate should be designed to 'help the forces in Northern Ireland to work towards a satisfactory solution which recognises the essential importance of power-sharing and the eventual unification of Ireland—with the clear understanding that this is going to be an evolutionary process, which has to have within it protection of minority rights and liberties."

If Protestants resisted pressures to find agreement, it would make it more difficult, he said, for the moderate voices in the U.S. to condemn fundraising activities for the IRA.

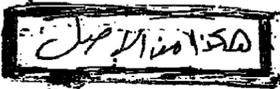
"I personally feel extremely strongly about the need to condemn violence and terror. But our ability to influence and convince people that there is a better way would be diminished, if nothing happens," he declared.

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J.P. WATSON



Now Tories seek victory in European elections

BY MAURICE SAMUELSON

OFFICIALS OF the three main British political parties are preparing to campaign for the direct elections to the European Parliament on June 7. The Conservatives hope their General Election success will be repeated. They are revising their earlier prediction of winning 51 of the 81 seats allocated to Britain and Northern Ireland. Labour is hoping for a reaction against the Tory victory in favour of its more critical attitude towards Brussels. The Liberals, the most consistently pro-EEC of the three main parties, will be running as "European Liberals and Democrats". They hope their credibility will be enhanced by being associated with parties which wield real power on the Continent. All

their election material is being printed in Brussels. The Liberals were quickest from the starting line with Tuesday night's fireworks-party at the National Liberal Club. Their serious campaigning starts on Saturday with a rally in Manchester, addressed by EEC Commissioner Guido Brunner. They are also hoping to bring over M. Gaston Thorn, the Luxembourg Premier. Liberal candidates include Mr. Russell Johnson, MP, Lord Gladwyn and Lady Seear. Mr. Christopher Mayhew, former Labour minister, will stand for the Liberals in Surrey. The Conservatives are pacing themselves more slowly. Both the Liberal and Labour manifestos have been available for some time. But the Tory document will not be launched until

the weekend after next. They will concentrate their campaign into the fortnight before June 6 (35th anniversary of the allied invasion of Europe). The Labour Party was less willing to discuss its campaign plans as they were still being discussed yesterday by a panel of the national executive committee. Unlike the Conservatives or Liberals, Labour has not allowed any of its Westminster MPs to stand. This was decided by the NEC and, as well as reflecting Labour's more reserved attitude towards Europe it also looks like a hang-over from the Labour Government's precarious position in the last Parliament. The Scottish and Welsh Nationalists and Northern Ireland Parties are also preparing for the fray as are a varied

crop of independent candidates. Some smaller groups, such as the United Anti-Common Market, are unhappy at size of deposits—£800 compared with £150 in parliamentary elections. The total number of candidates may reach 300. The British mainland has been divided into 78 constituencies, each having roughly 1m voters and covering about eight Westminster parliamentary constituencies. Each will send one member to the 410 seat parliament in Strasbourg—86 from England, eight from Scotland and four from Wales. Mainland seats will be decided on a first-past-the-post principle. Proportional representation will decide the outcome in Northern Ireland.

Household removal costs criticised

By David Churchill, Consumer Affairs Correspondent

HOUSEHOLDERS were advised yesterday to think twice before moving house because of the high cost of legal fees and other expenses. The advice comes from the Consumers' Association in the latest issue of its "Which?" magazine. Which? says that, based on a sample survey of more than 5,000 readers, the typical cost of moving house is about £1,750 before taking into account new carpets, curtains or other decorating costs. These costs were based on the sale of a £23,000 house and purchase of a £28,000 one. Which? suggests that householders should "think twice before you move—unless, of course, you can persuade your employers to pay the costs." It also says they should consider extending or improving their present home as an alternative. The magazine says the chances of a house purchase falling through after making an offer are quite high. Over a third of the offers our readers made (and which had been accepted) failed to result in a completed purchase. Which? suggests that part of the problem is the number of weeks which normally elapse between acceptance of an offer and exchange of contracts. The magazine is critical of all the bodies connected with house-moving.

Directors' Institute picks Goldsmith as new chief

BY LISA WOOD

THE INSTITUTE of Directors yesterday appointed Mr. Walter Goldsmith, corporate vice-president of Black and Decker as its new director general. British-born Mr. Goldsmith, aged 41, takes up his appointment in July, succeeding Mr. Jan Hildreth who left the institute last Christmas. Mr. Hildreth left suddenly after a disagreement caused by restructuring at the Institute. He said it had meant that he lost the job he had been carrying out for the previous four years. A

financial settlement was made between Mr. Hildreth and the institute. The new director general introduced Black and Decker's portable workbench, "The Workmate" to the UK market. He joined Black and Decker in the UK in 1966 as director of audit. Seven years later he became managing director. In 1976 he left Britain to join the U.S. parent company, where he became corporate vice-president and president of Pacific International operations. The institute said yesterday:

"During the 1970s Mr. Goldsmith has been responsible for expanding Black and Decker operations throughout Europe, the Middle and Far East, Africa and Latin America, and he has formed 21 new companies in those areas." Mr. Goldsmith said from Los Angeles: "I am greatly excited by the challenge of leading the IOB into the 1980s. The Institute has a responsibility to speak out aggressively on behalf of the business leadership of the nation."

MPs' conduct 'worries public'

BY JOHN HUNT

MR. GEORGE THOMAS, who was yesterday elected Speaker of the new House of Commons, had a word of caution for MPs about their conduct now that House proceedings are broadcast. "Our conduct has a great bearing on the respect which the public has for Parliament," he said. "The fact that we are from time to time a noisy

assembly worries the public much more than is generally realised by the House." Nevertheless, he added, it was right that there should be a lively and vibrant Parliament. In his opinion, the Commons had grown in stature and significance and was seen right across the world as the true bastion of democracy. Mr. Thomas, who is the member for Cardiff West, was

elected Speaker in February 1976 and served in the office for more than three years before the General Election. Paving tribute to the Speaker Mr. John Parker (Lab., Dagenham) aged 72, the new Father of the House, said the quality of members was higher than before the war. Mr. Parker, who has been an MP since 1935, said there were now far more backbenchers

competent to speak on specialist subjects. There were cheers from the House for Mrs. Thatcher, when she rose to pay her tribute. From the Opposition front bench Mr. Callaghan promised that Labour would take a constructive but sometimes passionate approach when the new Parliament gets down to business after the State Opening next Tuesday.

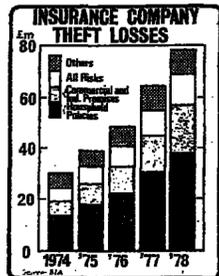
Insured household theft losses increase by 25%

BY ERIC SHORT

Thefts from private households in the UK are now averaging more than £100,000 a day according to Mr. Pat Bartrum, chairman of the British Insurance Association Crime Prevention Panel. He was commenting on the losses caused in Britain for 1978, details of which were issued yesterday by the BIA. These showed that insured theft losses from private homes rose by 25 per cent last year from £30.3m to £37.9m. The association

pointed out that though this rise was lower than in 1977, when it jumped 35 per cent, it still represented an increase at more than twice the rate of inflation. Total insured losses from all categories of theft jumped by nearly 22 per cent last year from £64.2m to £78.2m. Losses from commercial and industrial premises were nearly one-quarter higher at £18.2m, while losses on all risks policies showed a similar rise to £11.9m. Increases in thefts covered

under money policies and from goods in transit showed very low rises of around 5 per cent to 4.5m and 5.6m respectively. Mr. Bartrum welcomed improvements in security in a number of high risk businesses; but losses in the commercial sector were still substantial and criminals were increasingly turning their attention to smaller shops, factories and offices. He emphasised that businessmen and householders should become more aware of



the importance of proper security.

Drugs warning to motorists

MANY DRUGS, including those sold over the counter, can impair driving ability. Dr. John Howard, principal deputy secretary of the British Medical Association, said yesterday. Writing in the Government's quarterly publication, Health Trends, he suggested a steering wheel motif on some preparations to alert drivers. "Cold cures usually contain stimulant drugs and travel sickness remedies often include anti-histamines," he said. "Drugs could slow reaction times, affect co-ordination, or cause fatigue."

Welsh agency's £40,000 aid for instrument makers

FINANCIAL TIMES REPORTER

THE WELSH Development Agency, Wales's equivalent of the National Enterprise Board, is to invest £40,000 in the Union Gauge Company of Wrexham, a new venture, which has developed a small and inexpensive pressure gauge. The new company is the brainchild of Mr. J. D. Wilkinson, former marketing manager of Barnett Instruments, which, until it was put into receivership in 1977, also made pressure

gauges in Wrexham. The agency's investment, in shares and a loan, is to help Union Gauge to fill the gap in the market left by Barnett Instruments, which has since been filed by foreign manufacturers. Skilled instrument makers who previously worked for Barnett have been recruited. The new company plans to build up to a workforce of 40 by next year.

European pictures go for £728,480

THERE was a mixed reaction to Sotheby's sale of 19th century European pictures yesterday. The two paintings with the top estimates, a portrait by Waldmüller and another by Easton, failed to get bids near their £40,000-£60,000 forecasts. Otherwise demand was quite good and the auction totalled £728,480. The highest price was the £18,000 for a A Market in a Bavarian Town by Karl Schullmüller, and Skaters on a Frozen River by Andreas Schelfhout

SALEROOM

BY ANTONY THORNCROFT. made £15,000. The same price secured Les Fleurs du Lac by Edgard Maxence and The Pet Dog, by de Noter and Goupil was bought for £12,500. All prices carry an extra 10.8 per cent buyer's premium and VAT. There were two netsuke sales in London yesterday. Sotheby's bringing in £81,305 from disposing of the collection of the late Otto Taussig of Sweden and Phillips £44,351 from a general auction. Eskenazi paid £6,000 for Sotheby's almost double the estimate, for a small group of two coats by Otoman. Another London dealer, Douglas Wright, acquired an unsigned large figure of Sennin for £4,600. A group of Shoki and Ori by Tomokazu fetched £4,000. Top price at Phillips was the £1,100 for a Sashi netsuke depicting Ashinaga, signed Masanao.



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UK NEWS

Belvoir mining inquiry adjourned

BY JOHN LLOYD

THE National Coal Board gave further details yesterday of its prospects for coal mining in the 1980s, most of which will reassure people living in the areas that it has explored widely in the past two or three years.

Woolworth closes 250 more food departments

By David Churchill, Consumer Affairs Correspondent

F. W. WOOLWORTH has closed food departments in about 250 of its 1,000 High Street stores in the past few months because of continuing fierce competition in the grocery industry.

Record April sales for new cars

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

NEW CAR sales in the UK in April reached the record level for that particular month. Ford's share of the market soared to 33.6 per cent while BL's fell to 17.2 per cent.

Cortina (22,513 sold); Ford (8,940); Ford Granada (6,189); Morris Marina (5,020); Vauxhall Escort (12,205); Ford Fiesta (5,876); Austin hall Chevette (4,702); and (7,596); Austin Morris Mini Morris Allegro (5,026); Austin Chrysler Alpine (3,640);

UK CAR REGISTRATIONS

Table with columns for Year, April, and Four months ended April. Rows include Total UK produced, Total imported, Total market, and various car models like Ford, BL, PSA, etc.

Wastwater for nation

WASTWATER, Cumbria, is included in about 32,000 acres of common land in the Lake District to be given to the National Trust for preservation.

Motor show date fixed

Motor Show, which will again include cars, commercial vehicles, buses, coaches, accessories and components, and allied products, will be held at the National Exhibition Centre, Birmingham, from October 17 to 26.

Critical

The group's sales for the first four months of the year were dragging, however, and were down from 144,857 to 134,377 while its market share eased from 23.94 per cent to 21.07 per cent.

Problems

Among the UK-based companies, Vauxhall also cannot produce cars fast enough and the production problems seem likely to persist to the autumn.

Commercial ratepayers urged to fight back

COMMERCIAL and industrial ratepayers should "fight back" against local authority highway men, says Mr. Douglas King, chairman of the London Chamber of Commerce and Industry's Council.

Tourism jubilee celebrations

THE BRITISH Tourist Authority is celebrating this year the 50th anniversary of the official organisation representing the "Come to Britain" campaign, national tourist offices of 23 Western European countries.

ARGENTINE REPUBLIC DM 150,000,000 7 1/2% Deutsche Mark Bearer Bonds of 1979/1989. Includes logos and a list of participating banks from various countries.

£1m orders won by N. G. Bailey

ORDERS TOTALLING over £1m have been won by Bradford-based N. G. BAILEY (INSTRUMENTATION) for instrumentation at Texaco's Pembroke refinery, Wales; a section of the Lindsey refinery at Immingham; and at the LPDE-2 plant for Shell Chemicals at Carrington, Manchester.

An order worth almost £1m for 45 cooling sets for the British Rail high speed train programme has been won by SERCK HEAT TRANSFER, Birmingham.

Wedd Durlacher Mordaunt and Co., one of the largest jobbers on the Stock Exchange, has placed an order worth £750,000 with INTERNATIONAL COMPUTERS for two medium scale 2950 computers. They will be installed in Wedd's City office in September.

CMG Computer Management Group, a computer service company, has ordered a 3000 lines/minute HONEYWELL page printing system worth £125,000, for installation at its Croydon headquarters.

Northern Ireland Trailers (Scotland) a member of P & O European Transport Services, has ordered 40 ft van trailers worth £130,000 from CRAVEN TASKER, Sheffield, for use on the ferry route between Ardrossan and Belfast.

A £180,000 order to supply and install piping pumps and associated electrical work for a bulk aviation fuel storage depot at RAF Lossiemouth, has been obtained by HADEN YOUNG, part of the Haden Carrier Group. All pipework is in stainless steel, with tanks supplied by Whessoe. Main contractor is Sir Robert McAlpine and Sons.

ABBEY ELECTRONICS has a £180,000 order from British Rail for the supply of electronic wheelslip/alp equipment.

FREIGHTLINER has won a £500,000 package deal to carry European Line containers in the UK and Ireland, from the port of Felixstowe, where the first shipment arrives on May 19.

Offshore division of CHARLTON LESLIE ENGINEERING, a BTR group company, has been awarded contracts, together worth about £1m, for two 550-ton, compression modules for Amoco (UK) Exploration's Leman gas field in the North Sea. The company has also received a £800,000 order for two fire pumps for the Shell Brent C platform. The company is fabricating and erecting pipework and mechanical items worth £1.8m for an ICI vinyl chloride monomer at Wilton.

ATLAS CORP, COMPAIR and INGERSOLL RAND are supplying compressors worth a total of £500,000 to Grayston Plant and Coventry Compressors, for a compressor hire fleet.

HONEYWELL has been awarded its largest building maintenance contract, worth £400,000 over three years, by Citibank London, for the bank's two office blocks and a warehouse.

Coastal States Trading U.K. Ltd. \$25,000,000. Coastal States Gas Corporation. Petroleum Products Financing. Bankers Trust Company. Funds provided by Bankers Trust Company, Detroit Bank and Trust Company, National Westminster Bank Group, Security Pacific National Bank.

NOTICE OF REDEMPTION To the Holders of Compañía Anónima Nacional Teléfonos de Venezuela 8 1/4% Guaranteed Sinking Fund Debentures Due 1987. NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Fiscal Agency Agreement dated as of December 15, 1972 providing for the above Debentures, \$850,000 principal amount of said Debentures bearing the following serial numbers have been selected for redemption on June 15, 1979, through operation of the Sinking Fund, at the principal amount thereof, together with accrued interest thereon to said date.

Handwritten signature or stamp at the bottom of the page.

TUC chiefs modify Budget proposals

By Nick Garnett, Labour Staff

THE TUC economic committee made minor modifications yesterday to its recommendations for the Budget. It is seeking a meeting with Sir Geoffrey Howe, Chancellor of the Exchequer, to submit the proposals.

The recommendations are similar to those included in the economic review submitted to the previous Chancellor in anticipation of a Labour Budget.

Now the committee is emphasising aspects of the proposals in the light of Conservative policies on taxation and industry.

Thresholds

The TUC is seeking increased tax thresholds and the removal of low-paid groups from the tax net. It is particularly concerned about the Government's intention to switch some direct taxes to VAT.

The TUC hopes to maintain discussions with the Government on issues such as import penetration, public expenditure and industrial strategy.

It will tell the Chancellor, however, that selling off profitable sections of state industry will not help to alter the tax structure.

More building workers turn down 12% deal

BY NICK GARNETT, LABOUR STAFF

CONSTRUCTION unions have effectively rejected a 12 per cent pay offer for 700,000 building and civil engineering workers.

A special conference of regional chairmen and shop stewards in the Union of Construction Allied Trades and Technicians decided yesterday that the offer was unacceptable and instructed the executive to seek improvements.

Members of the Transport and General Workers' Union's national construction and building craft committees have already rejected the proposals.

The Furniture Timber and Allied Trades' Union will almost certainly adopt the same position when the industry's joint union side meets next week.

Stricter criteria for holiday entitlement and overtime pay, included in the pay package in an attempt to reduce absenteeism, are reasons why the unions have found the offer unpalatable.

The employers are almost certain to modify these in negotiations with the joint union side scheduled for next Friday.

Lay members of the TGWU and UCATT have indicated clearly, however, that they are seeking far greater pay consolidation, including that of the guaranteed minimum bonus. The UCATT delegates informed their executives that there is

not enough new money in the proposals.

The employers have said the offer was final and although they will be prepared to move on the productivity clauses any offer of further new money would be very modest.

The proposals have been estimated by employers to be worth 13 to 14 per cent, if wage drift and improved travel allowances are taken into account.

They would raise national minimum earnings for craftsmen to £57 a week and for labourers to £37.20. These include new basic rates of £51.40 and £43.80 respectively, together with part of the present joint board supplement and bonus payments.

ICI pay offer 'unacceptable'

BY OUR LABOUR STAFF

UNION NEGOTIATORS have rejected a new pay offer made to Imperial Chemical Industries' 50,000 manual workforce. Further talks will take place next month.

Mr. David Warburton, the General and Municipal Workers' Union national officer for chemicals, said the package did not restructure differentials in an acceptable way. There were not enough improvements on

basic wage rates and other pay, including call-out and disturbance allowances.

The company has been attempting to change its wage structure to resolve differential problems and end a shortage of scientific and technical workers.

There has been considerable disagreement between general and craft unions on how the differentials should be altered.

The company's original proposals involved a rise on the total wage bill of about 15 per cent. Mr. Warburton said the new offer included only marginal improvements.

The offer included new money ranging from £5 a week for the lowest grade up to £12 for the top grade, with higher consolidation and some improvements on shift pay and allowances.

Chrysler union chiefs seek company cars and 25% for workers

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

CHRYSLER union leaders are demanding company cars for the 3,500 manual workers at Ryton, Coventry, in addition to a 25 per cent pay rise.

The bulk of the labour force is working short time because political troubles in Iran have disrupted a £100m-a-year export contract. The state meets three-quarters of the wage bill for the under-employed workers under the short-term employment scheme introduced by the last Government.

Chrysler UK, which has yet to show a profit since the Government rescue negotiated in 1978, is expected to make another substantial loss this year.

Mr. David Edwards, the Transport and General Workers' Union convenor, said last night that if workers drove Chrysler cars they would act as salesmen for the company.

It would give employees greater pride in their work. "Most of us spend most of our lives producing things which we cannot afford to buy."

The company said that negotiations had not yet started on the unions' 17-point wage claim, which includes demands for better sick pay, redundancy and maternity payments.

Company cars, it said, were part of the total remuneration for senior management. Individuals were taxed on the benefit and contributed about £35 a month towards an Alpine.

Shop stewards base their demand for an across-the-board pay rise of £20 a week upon comparable cars in the Coventry engineering industry.

The claim has still to be approved by a workers' meeting. An award would be implemented after July 1.

Production at the Austin-Morris assembly plant at Cowley is threatened because drivers employed by Cartransport, who deliver a third of the factory's cars, are on strike over a pay claim.

The drivers have rejected what the management describe as a 25 per cent increase. They are among the highest paid workers in the Oxford area, regularly grossing more than £150 a week.

Austin-Morris says the strike is not yet affecting it, but that

statement masks growing managerial concern.

The striking drivers are based on the Milton trading estate near Steventon, where two other car delivery companies have their Oxford depots.

Seafaring rate call opposed by shipowners

SHIPOWNERS representing 55 per cent of world tonnage have criticised the International Transport Workers' Federation for seeking to impose unilateral international minimum pay rates for seafarers.

At the annual meeting of the Council of the International Shipping Federation in Hong Kong yesterday, Sir Frederic Bolton, the president, said that conditions of service for ships under any flag should either be negotiated between the employers and a bona fide union or unions representing the crew, or be laid down by legislation.

"We are entirely opposed to the federation's policy of imposing arbitrary minimum pay rates for seafarers," Sir Frederic said. These were not subject to collective agreements, and ignored widely differing living costs and the fact of changing exchange rates.

Sir Frederic (UK) was re-elected president, with Sr Don Azqueta (Spain), Mr. Frank Chao (Hong Kong) and Mr. Fridtjof Lorentzen (Norway) as vice-presidents.

£500 colliery award shared

TWO NCB employees at Boleover pit, Chesterfield, have been awarded the maximum £500 for their invention of a system to check coal levels automatically in underground storage bunkers.

Mr. Wilfred Plant, a deputy electrical engineer, of Hasland, Chesterfield, and Mr. Derek Carter, a technical assistant of Walton, Chesterfield, are to share the money and their idea is now being tried at other collieries.

Banking figures

(as table 4 in Bank of England Quarterly Bulletin)

ELIGIBLE LIABILITIES, RESERVE ASSETS, RESERVE RATIOS AND SPECIAL DEPOSITS

1-Banks	April 18, 1979 £m	Change on month £m
Eligible liabilities		
UK banks	26,739	+681
London clearing banks	2,953	+136
Scottish clearing banks	834	+17
Northern Ireland banks	2,853	+47
Accepting houses	7,157	+353
Other		
Overseas banks	4,126	+86
American banks	347	+46
Japanese banks	2,832	+44
Other overseas banks		
Consortium banks	267	+37
Total eligible liabilities*	47,511	+1,429

Reserve assets	April 18, 1979 £m	Change on month £m
UK banks	3,544	+96
London clearing banks	387	+14
Scottish clearing banks	139	+7
Northern Ireland banks	294	+11
Accepting houses	974	+30
Other		
Overseas banks	563	+23
American banks	55	+7
Japanese banks	444	+8
Other overseas banks		
Consortium banks	52	+7
Total reserve assets	6,453	+206

Constitution of total reserve assets	April 18, 1979 £m	Change on month £m
Balances with Bank of England	353	-60
Money at call:		
Discount market	3,348	+33
Other	240	-1
UK, Northern Ireland Treasury Bills	1,092	+266
Other bills:		
Local authority	140	+53
Commercial	844	+32
British Government stocks with one year or less to final maturity	437	-118
Other		
Total reserve assets	6,453	+206

UK banks	April 18, 1979 £m	Change on month £m
London clearing banks	13.2	-0.1
Scottish clearing banks	13.1	-0.1
Northern Ireland banks	14.9	+0.3
Accepting houses	14.5	+0.3
Other	13.6	-0.3
Overseas banks	13.7	+0.3
American banks	15.9	+0.1
Japanese banks	15.1	-
Other overseas banks	19.5	-
Consortium banks	19.5	-
Combined ratio	13.6	-

N.B.—Government stock holdings with more than one year but less than 18 months to final maturity amounted to £206 million (+16 million).

Finance houses	April 18, 1979 £m	Change on month £m
Eligible liabilities	359	-30
Reserve assets	38.7	-2.2
Ratio (%)	10.1	-0.4

Special deposits at April 18 were nil (unchanged) for banks and nil (unchanged) for finance houses. * Interest-bearing eligible liabilities were £30,183m (up £274m).

Civil servants reject closed shop

BY PHILIP BASSETT, LABOUR STAFF

THE Government's hopes of securing trade union agreement for its policies on industrial relations reform were boosted yesterday when the Society of Civil and Public Servants rejected a call for a closed shop in the Civil Service and set up a comprehensive review of its electoral procedures.

Delegates at the annual conference in Brighton of the society, Britain's second-largest Civil Service union, drew attention to the new Government's election campaign pledges to "avoid the abuses" of the closed shop.

Advisory, Conciliation and Arbitration Service branch, said that the TUC guidelines issued at the time of the TUC-Labour concordat, and the return of a Conservative Government showed that greater flexibility was emerging on the closed shop issue.

Very few white collar unions were now pressing for a closed shop.

The 900 delegates were told that the 18,000 staff in grades represented by the society who were not members of the union represented a loss in potential annual subscriptions of

£540,000, or £5.24 for every society member.

Though discussions between the unions and the Labour Government began last year on proposals for a limited union membership agreement, the conference voted by approximately 45,700 to 34,800 to reject a proposal to seek a closed shop under the Trade Union and Labour Relations Act 1974.

The report proposed increased involvement of lay officials at meetings of the National Whitley Council staff side, and giving individual unions power to veto staff-side proposals, but a call

to reject the veto proposal was defeated only narrowly in the conference.

The society also instructed its executive to insist, if it agreed to continue its staff side membership, that the staff side chairman should be appointed on the basis of ability rather than on the present rota system of union general secretaries. A motion effectively calling for withdrawal from the Whitley Council was not reached.

Three union vice-chairmen were elected: Mr. Mike Perkins (7,976 votes), Mr. Ted Berrow (6,032) and Mr. George Prior (4,902).

London Clearing Banks' balances

as at April 18, 1979

THE TABLES below provide the first monthly indication of the trends of bank lending and deposits, ahead of the more comprehensive banking and money supply figures published later by the Bank of England. Tables 1, 2 and 3 are prepared by the London clearing banks. Tables 1 and 2 cover the business

of their offices and their subsidiaries (excluding Scottish and Northern Ireland banks) in England and Wales, the Channel Islands and the Isle of Man which are listed by the Bank of England as falling within the banking sector. Table 3 covers the parent banks only. In this, it is comparable with the figures

produced by the Bank of England, which show the reserve positions of all the banking sectors subject to credit control. Minor differences here arise from the exclusion from the clearing bank figures of Coutts, a subsidiary of National Westminster but a clearing bank in its own right.

TABLE 1. AGGREGATE BALANCES

LIABILITIES	Total outstanding £m	Change on month £m
Sterling deposits:		
UK banking sector	5,979	+943
UK private sector	29,973	+1,147
UK public sector	578	+19
Overseas residents	2,832	+140
Certificates of deposit	1,929	+129
of which: Sight	41,297	+1,679
Time (inc. CD's)	17,851	+1,058
	23,446	+581
Foreign currency deposits:		
UK banking sector	4,774	+44
Other UK residents	967	-40
Overseas residents	12,450	+242
Certificates of deposit	1,155	-19
Total deposits	19,346	+328
Other liabilities*	60,843	+2,007
	10,512	+777
TOTAL LIABILITIES	71,155	+2,784
ASSETS		
Cash and balances with Bank of England	1,286	+124
Market loans:		
Discount market	2,339	+154
UK banks	7,534	+406
Certificates of deposit	1,079	+180
Local authorities	1,187	+164
Other	349	+32
	12,478	+935
Acceptances	426	+11
TOTAL ASSETS	71,155	+2,784

Bills:	Total outstanding £m	Change on month £m
Treasury bills	590	+132
Other bills	895	+88
Special deposits with Bank of England	—	—
Investments:		
British Government stocks	1,905	+10
Other	1,617	+6
	3,522	+17
Advances:		
UK private sector	21,540	+394
UK public sector	229	-103
Overseas residents	3,208	+9
Other sterling assets*	24,976	+239
Foreign currencies	6,989	+505
Market loans:		
UK banks and discount market	4,215	+180
Certificates of deposit	182	-37
Other	8,099	-62
	12,498	+81
Bills	37	-6
Advances:		
UK private sector	2,173	+33
UK public sector	955	+8
Overseas residents	3,504	-57
Other foreign currency assets*	6,632	+82
	1,252	+228
TOTAL ASSETS	71,155	+2,784

* Includes items in suspense and in transit.

TABLE 2. INDIVIDUAL GROUPS OF BANKS' BALANCES

LIABILITIES	TOTAL	BARCLAYS	LLOYDS	MIDLAND	NATIONAL	WILLIAMS & GLYNN'S
	Out. standing month	Out. standing month	Change on standing month	Out. standing month	Change on standing month	Out. standing month
	£m	£m	£m	£m	£m	£m
Total deposits	60,643 +2,007	16,394 +412	11,488 +549	12,366 +450	18,512 +536	1,884 +40
ASSETS						
Cash and balances with Bank of England	1,286 +124	421 +62	205 +33	267 -24	346 +31	47 +19
Market loans:						
UK banks and discount market	14,081 +739	3,092 +110	3,501 +400	1,963 +83	5,199 +192	325 -46
Other	10,896 +276	3,413 -9	2,745 +132	1,526 +101	2,926 +48	285 +4
Bills	1,522 +214	316 +16	106 -1	608 +121	436 +47	55 +32
Special deposits with Bank of England	—	—	—	—	—	—
British Government stocks	1,905 +10	485 +10	316 +1	444 +25	536 -22	125 -3
Advances	31,609 +382	9,011 +177	4,755 +3	7,466 +113	9,297 +89	1,079 -

TABLE 3. CREDIT CONTROL INFORMATION

Eligible liabilities	April 18, 1979 £m	Change on month £m
Eligible liabilities	26,004	+665
Reserve assets	3,524	+105
Reserve ratio (%)	13.2	-0.1

SANPAOLO

Balance sheet as at 31 December 1978

Assets	Liabilities
in billion lire	in billion lire
Cash and balances due from other Banks 2,666.9	Total deposits 12,607.6
Securities and non-trading investments in subsidiaries 3,108.8	Deposit and current accounts from customers, and banks and other funds 8,847.4
Loans and advances: 7,072.1	Mortgage bonds and other bonds 3,760.2
Loans, advances and other accounts 3,591.6	Sundry funds 313.4
Mortgage loans and other medium and long-term loans 3,480.5	Other liabilities 2,657.8
Fixed assets 150.8	Capital and reserves 608.8
Other assets 3,199.9	Net profit 10.9
Contra accounts 13,859.8	Contra accounts 13,859.8
Total 30,058.3	Total 30,058.3

The net profit of 10,946 million lire provides an amount of 4,581 million lire for donations to charities, cultural institutions and public welfare. After allocation of part of the profits, the capital resources exceed 614 billion lire.

Main Offices in Turin, Bari, Bologna, Florence, Genoa, Milan, Rome, Naples and 300 Branches throughout Italy.

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SANPAOLO BANK

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A Public Law Institution founded in 1863 - Head Office in Turin

THE ARTS

Churchill, Bromley

The Complaisant Lover

by B. A. YOUNG

Graham Greene's sudden, brilliant invasion of the theatre between 1953 and 1959 was a remarkable thing. His apparently complete grasp of stage techniques in The Living Room, The Potting Shed and The Complaisant Lover amazed and delighted old hands like Rattigan (though it is explained away in the preface he wrote to their published edition, in Heinemann's Mercury Books, by the pleasure he took in working with producers, designers, directors and actors) With Carving a Statue in 1964, the bubble burst; few people liked it, Greene did not enjoy working on it, and the invasion was over.

It amazes me, though, that the first three are not constantly revived. The Churchill production of The Complaisant Lover is, as far as I know, the first since it was originally seen at the Globe in 1959, with Ralph Richardson and Paul Scofield in the company. It is well worth reviving.

Basically the play is an eternal-triangle story. (So is The Heart of the Matter, so is The Quiet American.) Mary Rhodes, married for 16 years to Victor, her amiable but boring dentist husband, falls in love with Clive Root, a younger man recently arrived in the neighbourhood. They go together for a brief holiday in Amsterdam, but she can't give way to Clive's entreaties to leave her husband, for her sexual love for him conflicts with her domestic love for her home and her children. Sally and Robin. (I would gladly have sacrificed Robin; Christopher Johnson plays him nicely, but his habit of yelling constantly for his mother from

the nursery to come and help him with his homework would soon have turned me against him.)

In a very funny scene in the Amsterdam bedroom, Clive extracts a promise that Mary will leave her husband if he ever finds out about them; and then ensures that he will find out almost at once. That isn't what's funny in the scene; it is a craftsmanlike piece of near-farce with unexpected characters coming in and out with Feydeauesque effectiveness.

Now it can be argued that the people in this play often behave in an unlikely way. But they are people created by Graham Greene, and he never fails to make unorthodox convincing. The final situation, in which Victor consents to his wife having occasional flings with her lover, is unorthodox itself, but it is argued with such logic that we accept it with a guilty joy. The play's overall theme is loyalty, and it is displayed not only in the relationships of Victor, Mary and Clive, but at different levels with the teenage girl Ann and even the little boy Robin.

The production under Ian Watt-Smith will do very well. William Squire is a shade too romantic for dull but roguish Victor, but he moved me in the final confrontation. Jennifer Wilson makes a credible amalgam of the maternal and the susceptible as Mary; Robert Grange's Clive, a compulsive seducer of married women, keeps his selfishness concealed below his charm. Janina Faye's Ann, just budding into adulthood and hoping to blend it with adultery, is a touching performance.



Janet Suzman (right with Skip Martin and Jill Spurrier

Birmingham Rep

The Duchess of Malfi

"Brilliant but messy" is what a schoolmaster might have written in John Webster's end of term report on this play. The best productions in recent years — Peter Gill's at the Royal Court and Philip Frow's at the Glasgow Citizens — have, in their different ways, solved the problem by striking to the heart of the poetry with design solutions. Keith Hack is more prepared to give the piece its head, and he pays the price.

Inevitable cuts lead, inevitably, to disappointments. Here, the Cardinal is deprived of his latter scenes with Julia, thus robbing the play of its criminal "intelligence". Bosola of his lustful cadenza; the Duchess, in spawning only one child by Antonio (whose "bonds" remind us that much of Jacobean tragedy echoed itself and Shakespeare), impairs both the conclusion and her own crucial claims to fertility; Antonio, without his opening praise for the "old order of the French court, is rendered even more feeble.

Most impressive in Janet Suzman's confined (in both senses of the word) Duchess is her sheer vocal intelligence,

graduated from coquettish upper register to blood-curdling mezzo, and her clear-eyed conviction that rank in society has nothing to do with passion or Christian humility. She is assailed by a pair of unreasonably jealous brothers: one, the Cardinal (played with Borgias-style bravura by Peter Eyre) is a debauched hypocrite; the other, Ferdinand, a depraved lycanthropic lunatic whose impetuosity is governed more by incestuous raving than by material ambition. Ian McDiarmid gives the sort of outrageously audience-baiting performance we used to expect in Keith Hack productions (remember Barry Ingham as the Duke in Hack's barbarically Brechtian RSC Measure for Measure?), plotting Ferdinand's wolf-man personality from his first, aggressively unsettling appearance.

These three performances are fine, even excellent, but there my compliments dry up. Charles Kay is a stylish, silky actor, hopelessly miscast as Bosola. Rough-hewn and tainted by serving seven years in the galleys, Bosola undertakes his watch on the Duchess out of

need for recognition and in the course of his duty, becomes a changed man. Mr. Kay suggests none of this and is indeed, thanks to Nick Chelton's uncharacteristically indefinite and fussy lighting, easily confused in mien and deportment with Bernard Lloyd's equally colourless Antonio. Menace and quick-wittedness do not figure in the portrayal.

Again, one would have expected Mr. Hack to go to town on the apparition scenes and the wonderful echo interlude, where the Duchess's voice trails the poetry in the abbey ruins. But the staging is pedantic, restricted to the odd Gothic gesture that puts one in mind of Terry Hands on an off day. Vortek's design is no help, providing a cumbersome wooden cupboard through which personnel may come and go and one long wooden table forlornly adorned with candles and crucifix. A dwarf plays one of the lords, which may signify something although I am at a loss to explain precisely what, and the majority of the supporting cast is terrible.

MICHAEL COVENY

Festival Hall

Bishop-Kovacevich/Davis

Stephen Bishop-Kovacevich is a pianist of carefully measured, steadily growing achievement. Each addition to his concerto repertory is thoroughly considered, every interpretative problem precisely worked out. His musical approach is likewise straightforward. His playing does not provide immediate frissons — no vertiginous technical feats, moments of magical introspection, or protean expressive nuances — instead its virtues are wholesome and dependable, solidly musical.

So on Tuesday evening he began Brahms's Piano Concerto No. 2 in a direct, unfussy way: a fastish tempo, little cosmetic rubato, simply allowing the tension to build naturally through the opening exchanges,

as musical argument and technical demand become progressively more elaborate.

The total effect became one of a profoundly difficult musical statement, an approach that was most suited to the naturally symphonic first movement of the Brahms. Elsewhere a scherzo that so firmly accented the first beat of each bar mistook rhythmic consistency for rhythmic vitality; a slow movement so conspicuously lacking a beguiling mezza voce piano tone could very easily lapse into the matter-of-fact. But in the finale, encouraged no doubt by the sharp characterisation of the LSO under Colin Davis, Bishop-Kovacevich suddenly discovered a tilt. It was a view of the movement curiously out of joint

with the preceding plain seriousness. A strange, fitful performance overall, with elements of undeniable potential.

Much potential too, in Colin Davis's beginnings as a Mahler conductor. Mahler 1 was a natural starting point for a conductor of his previous allegiances, in its need for an ear sensitive to textural balance, neat rhythmic articulation and an ability to manipulate sudden changes of perspective. But the result was a remarkably unpredictable performance, of overriding sobriety, with the symphonic always outweighing the dramatic, the centre of gravity firmly placed in an austere, spectral slow movement.

ANDREW CLEMENTS

Prince Edward/Albery

Evita/Oliver! by ANTONY THORNCROFT

Elaine Paige, who, as Evita, carries one of the most taxing roles currently on the London stage, is taking the rest of May as a holiday, and handing over the burden of portraying Eva Peron to Marti Webb. In June the two actresses will share the part, although Elaine Paige will appear six times a week to Marti Webb's two performances.

On Monday Marti Webb made her debut, and there need be no doubts about her competence in this demanding role, which requires an actress with a powerful voice, dancing skills, and a personality strong enough to convince that a nation abased itself before a small town tart. If anything she is tougher than Elaine Paige and also manages a closer physical resemblance to Eva Peron. This is a slightly

more abrasive performance but, as with Gary Bonds who replaced David Essex, the general aim is to maintain Harold Prince's remarkable production intact, giving small scope for individual initiative. On another viewing the music seems more dramatic, the lighting and staging more powerful. It is interesting to register the response of the audience — shock and silence for the first 40 minutes as it comes to terms with this stark and imaginative design, and then a happy surrender to the music and the story, which still seems to end on rather too dead a note.

Evita still has a long way to go to catch up Oliver! in terms of theatrical permanence. Lionel Bart's most successful

musical is now well into the second year of its revival at the Albery and last week Roy Dotrice joined the long list of Fagins who have corrupted boys in the nicest possible way. Not surprisingly Dotrice plays Fagin as a Jewish John Aubrey, all grotesque make-up and settle fish sandwiches. He still seems to be finding his way into the part and the ad libs will probably flow more freely in time. He is a sympathetic character in a production which wears surprisingly well. Oliver! would have a better critical reputation if the very real dramatic themes had been stressed at the expense of the kids stuff — but then it would never have become a coach party favourite.

Record and Book Review

New light on Britten

by MAX LOPPERT

Britten: Peter Grimes. Jon Vickers, Heather Harper, Jonathan Summers, Thomas Allen, Elizabeth Bainbridge, John Dobson, etc. Chorus and Orchestra of Royal Opera House, Covent Garden. Colin Davis. Philips 6769 014 (3 records), £13.50 (also available on cassette)

Benjamin Britten Pictures from a Life 1913-1976. Compiled by Donald Mitchell and John Evans. Faber and Faber, £15, 440 illustrations.

The Music of Benjamin Britten, by Peter Evans. Dent, £15, 564 pages

The new Peter Grimes is an event. Many of Britten's orchestral, choral, and vocal compositions have been recorded more than once, by performers prepared to face the challenge of the composer-conductor as recorded in Decca's triumphant Britten series; but an opera presents a rather more momentous challenge, especially if it be the first and still the most popular of all the Britten operas. Though the partnership of Colin Davis and Jon Vickers was first joined at the Metropolitan in 1967, the Philips set is based on the 1975 production at Covent Garden — the "new look" Peter Grimes, given in bare box-like sets, black and white dress, and with unemphatic naturalness of behaviour, that cast a powerful and refreshing new light on the work.

In one sense, the Philips set carries on a tradition of being performed — like Britten's own recording, made 20 years ago — by Covent Garden forces. Comparisons between the two, Britten/Decca and Davis/Philips, must be a matter of greater point, interest, and even necessity than usual (and are probably inevitable anyway).

The thread of continuity that links them is the feeling of corporate commitment exuded by the company in both sets to a work loved and believed in, a feeling made manifest in the gusto and brilliance of orchestral playing and choral singing and in the relish of the supporting roles. Making at the outset an extreme generalisation, I would say that orchestra, chorus, and supporting players are more united in the new recording, but that the old is finally a more affecting and more complete performance.

For explanation of the situation we must look to conductor and tenor hero; for on them the opera is dependent for its success, to a rare and onerous degree. The splendid contributions made by Thomas Allen's sparkish Ned Keene, Elizabeth Bainbridge's game but never arch Auntie, and John Dobson's unsettlingly vivid Bob Boles (to name only the most remarkable of the supporting company) will ultimately not sway the balance, though they happily rid the performance of the stereotypes of Borough notables to which the work is rather too easily prey. Ellen Orford and Balstrode are, of course, more crucial; and here I continue to wish that Heather Harper were a more forthcoming, more emotional kind of singer (she seems to have been caught in less than accustomed amplitude or shine of tone, though the lines are voiced as smoothly and clearly as ever). Jonathan Summers records well, and acts vigorously; alongside Decca's James Pease, his Balstrode leaves a callow impression.

But consideration of the new Grimes must rest with Davis and Vickers. The conducting has energy, urgency, commitment, in plenty. Storms, physical and emotional, blow up with gale force, in rhythms that whip with Stravinskian edge and sonorities that command a Bergian emotional power. But Peter Grimes is also romantically poetic — it is principally that, for a listener who finds its "psychology" increasingly uncertain but its panoply of sounds as compelling as ever. Davis seems somewhere to resist the romantic, poetic beauties of sound that hold the opera together, that provide a frame for even the more obviously unbelievable

aspects of drama. The fifth interlude, picture of a slow, moonlit summer evening, demonstrates his resistance: the pace is sustained with effort, in an *andante comodo e rubato* stressful and slightly edgy, the dynamic swells not quite naturally accommodated. On Decca the composer shows us what is missing.

In the theatre I have admired Jon Vickers's Grimes inordinately — for its compound of heroic vocal power, emotional intensity, earthy vibrance of form and feature, and visionary strangeness. On the record, I find him hard to take. The set has been made late in a long and honourable career; and though there is still plenty of voice for the violent outbursts — no other Grimes breaks into the pub round with such terrifying largeness of impact — the poetic reveries must now be delivered in a hollow croon that is both unpleasant to hear and unkind to the niceties of the line. (The stretch of *Ees in "Now the great Bear and Pleiades"* is exquisitely uncomfortable.)

Worse, the records reveal in the portrayal a hammy streak a mile wide, slowing down and sentimentalising soliloquies, and inflating with rhetoric the more dubious formulations of Montague Slater's libretto. (There are also some strange bowdlerisations of the text for which it seems Vickers himself is responsible, and of which the exchange of "I'll teach you to lie to her" for "I'll tear the collar off your neck" is the most noticeable.) It remains an immensely powerful assumption of a role to which the passage of time has lent unexpected enchantment; many listeners will hear the performance with ears a good deal more favourable. The recording is full and clear, the production somewhat rudimentary; the Act 2 procession does not "set off up the hill," but stays put in the centre of the aural picture.

The tide of Britten literature is coming in. We still await the searching, scrutinising, no-holds-barred biography that is most urgently needed, otherwise the most recent additions to the corpus are timely. The compilation — photographs of the man and his associates, illustrations of rare programmes and documents — by Donald Mitchell and his assistant John Evans is one of the most sensitive of its kind, and will prove useful to students of the music as well as of the man. Britten's life was well recorded by the camera (in youth he was himself an enthusiastic photographer); the selection reveals a niceness and purposefulness of choice that shapes a cogent narrative. Among composers, perhaps only Bartok's features stare more hauntingly from the page; throughout his life Britten's seem marked by a pained sadness superficially at variance with the abundant acclaim and affection recorded here. Yet there is also place for humour — the photograph of Britten, Pears, and Prince Ludwig and Princess Margaret of Hesse, all in full Balinese-traditional fig.

gardenias in their hair, adds a new dimension to the portrait of Britten the Suffolk ascetic.

A much more obviously substantial achievement is Peter Evans's "first comprehensive review" of Britten's music. Professor Evans groups the works by category; the result, though tidier than the usual chronological arrangement, clouds the picture of stylistic alteration and development, and is sometimes needlessly confusing (the positioning of the chapter on "The Five Canticles" before "Later Choral Works" necessitates a jump backwards from the late *Death of St. Narcissus* to the *Spring Symphony*, a single instance of unhelpful juxtaposition; *Death in Venice* and the Third String Quartet, works demanding to be treated together, are widely separated). Otherwise, the review is indeed comprehensive, and awesomely thorough. Professor Evans subjects to minutely detailed harmonic and motivic analysis the musical processes that operate in works large and small.

This is an important book, but at the same time a severely limited one. The answers in advance possible charges against him by stating in his preface the limits of his concern. Yet too often his discussion is directed by the apparent belief that musical processes are constituted in notes rather than in living sounds, and that the discovery of patterns among those notes is sufficiently informative in itself. Too often the studies of individual works end just where one wants them to take off — into interpretation of the evidence proved, into the hypotheses about "meaning" that Professor Evans is so scrupulously apt to deny himself. The chapters on the operas are particularly disappointing, while the Urtext in *Billy Budd*, say, may be exhaustively pursued, there is very little illumination on its fitness or even its special relevance to the conflict of character and emotion.

Topics such as the vocalité of the vocal compositions, the *ritmo* or *colorito* (to borrow, not imitate, the Verdian terminology) found for each individual work, are for the most part left unexamined. (The exception is the chapter on *The Rape of Lucretia*, an opera that inspires unusual warmth in the author.) It seems to me that, in a work such as *Les Illuminations*, the sound of the string orchestra is a structural factor at least as important as the relationships of keys — in fact, both elements are usually dependent — and that to discuss it with insufficient reference to its striking sound qualities is to give an incomplete account of the piece. Occasionally, the opaque style of writing clears to disclose a telling phrase — the chorus in *Gladiator* is "used quite simply as supplementary evidence." There is a limited bibliography, and a catalogue of published compositions (including the arrangements and realisations not dealt with in the main body of the text).



William Squire, Jennifer Wilson and Robert Grange

Music at Grays

The weekly series of lunch time concerts of early music at Grays, the antique market in Mayfair, got off to a happy start yesterday with a recital by the counter tenor Alfred Deller with Robert Spencer playing a 16th century lute. It was an unashamedly popular bill ranging from *Pull Paddock* *Time through Dowland* *ayres* to a conclusion of some more Shakespeare songs. The attractions are the length of the performance, around 35 minutes, the intimacy of the room, and the good acoustics.

Next Wednesday there is an all Bach programme played on a baroque lute by Nigel North. Admission is £1.

Bursaries for composers

The Arts Council's third series of bursaries for composers include one bursary of £5,000 to Miss Prioux Rainier and 16 bursaries of between £1,500 and £3,000. The selection jury was Nigel Osborne (chairman), John Carewe and Hugo Cole.



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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

RESEARCH

Metal powder will carry big current

FLUIDISED beds of carbon particles conduct electricity and can be heated electrically using this property. Carbon particles, however, have a tendency to form themselves into needles, owing to localised overheating, because of their negative temperature coefficient of resistance. Metallic particles are theoretically highly satisfactory, but tend to form a non-conducting oxide coating.

Professor Davies, at the University of Aston in Birmingham, has devised methods for overcoming this problem of oxide formation and has demonstrated the practical benefits of metallic beds, using copper particles around 200 micrometres in diameter.

The copper particles are initially deoxidised by electrolysis, pickling and washing, or by the passage of a reducing gas (hydrogen or a hydrogen/nitrogen mixture). They are transferred into the bed in an inert atmosphere, and the bed is then fluidised using nitrogen or forming gas (a mixture of nitrogen and hydrogen). If nitrogen is used, the periodic introduction of small amounts of hydrogen into the fluidising gas serves to keep the particles clear of any incipient oxide deposit.

So far, a deoxidised copper bed has been made to conduct 9.5 kA and it is believed this is well below the ultimate limit of the fluidised-bed part of the system. Voltage drop across the bed is low.

Metallic fluidised beds appear to be suitable for conveying electrical current to a moving component: resistance-heating a moving (or static) component; or forming a switch by moving

a rod in and out of the bed to make and break a circuit.

An experimental system has demonstrated the technical feasibility of using a fluidised-bed system for the resistance heating of wire. Each fluidised-bed copper bath is quite small (300 x 12 x 50 mm deep), and 1 mm diameter steel wire passing through the baths at a rate of 0.75 m/s has been heated to annealing temperature (800 degrees C) in the active length of 1 metre using a current of 80 A to 30 V. Between the beds, the wire may be passed through a tube filled with inert gas; this prevents surface contamination of the wire. The bed at the "hot" end is water-cooled.

Another application could be to arc furnaces. Conventionally, current is fed to the electrodes in these by using massive and expensive, flexible, water-cooled cables that require periodic replacement.

This arrangement could be eliminated by taking advantage of the sliding contact offered by a fluidised metallic bed used to form the connection to the electrode together with a separate, offload, fluidised-bed switch which isolates the electrodes during furnace tilting.

NRDC, Computers Systems and Electronics Group, Kingsgate House, 66, Victoria Street, London SW1E 6SL. 01 528 3400.

HYGIENE

Cleans the hands

A HAND cleaner claimed to have distinct advantage over those already on the market is being offered by Tracehome, Hastings Road, Crowhurst, East Sussex (0424 83 70).

The product can be used without water and it is not necessary to wash the hands after using it. It contains lanolin and is an off-white cream which will remove paint, grease, ink and many other types of contaminant and leave the skin soft.

Called No-Trace, the cleaner is supplied in 8 lb containers with a dispensing unit. Free trials are offered.



COMMUNICATIONS

Spreads messages far and wide

PROBLEMS OF getting information to key staff in a big company seem to become more complex as the messages become more urgent.

To help solve the problem, a new type of telex has been put together by Datapod to provide new solutions.

This UK company has developed "Minitell-X" to give secure, simple, speedy and inexpensive communications between any two or more points: the ordinary GPO telephone line provides the link, it can be arranged so that the telephone does not ring if data only is to be passed. Thus an unattended telephone can be accessed.

Area managers may leave messages for their salesman, who in turn can send orders

into their offices when they get home; both will have hard copy proof of delivery on a fast, silent printer.

This equipment may also be used as a low-cost input terminal with an alternative "silence" housed version for portable use. Thus engineers or insurance consultants, etc., may access data for instant, on-site computation. Using an ordinary black and white TV, messages are also laid out or received on the screen allowing even the most unskilled "one-finger typist" to produce professional quality results.

Managers who need to communicate with a group of people across a company should find this unit a boon. A question

may be asked and despatched, to many different locations, in a matter of minutes; even if nobody is there the sender knows it will await the recipient's return. Similarly the answer comes back, even if the manager is out. Speed of transmission makes line costs less than that of a postage stamp, yet there is minimum delay, allowing a high standard of responsive action to the problem facing the manager.

As well as its value for business use, Datapod suggests the unit could be used as an answering machine. Should a company man seek approval for some action and yet not want to disturb a senior man at home, he could put a message on the Minitell-X, leaving it to the

recipient to decide whether or not to take action and that without causing the home phone to ring.

No expensive wiring or complicated installation work is needed and the equipment can be upgraded to do simple calculations and hold information in a solid-state, floppy disc or cassette memory.

A message of 100 words takes only seconds to transmit, and thus costs next to nothing to send even at peak-times over the telephone. A paper copy of the message can be retained for reference.

Datapod, GMS House, Boundary Road, Woking, Surrey GU24 5EX. Woking (04982) 89242.

COMPONENTS

Controlled tension

CONTROL equipment that can be used with almost any DC drive system has been introduced by Shackleton System Drives to ensure constant (or other pre-determined) tensioning in the winding of paper, plastics films, textiles or other materials using centre winding arrangements.

Connected between operator panel and thyristor torque control circuits, the unit is based on the fact that the radius of the material reel at any moment is proportional to linear speed of the material divided by winder revolutions/min. Since this figure multiplied by the tension gives a measure of torque and torque is proportional to armature current of the drive motor, constant tension will result from controlling the current in proportion to the linear-rotary speed ratio.

Inputs of these speeds are provided from tachometers on the appropriate shafts, and potentiometer corrections are provided for static and dynamic friction.

More from the company at Eilon Way, Littlehampton, Sussex, BN17 7HE. (09064 21811.)

All-plastic window sill

SIGHT OF a warped, rotting or split window sill is a giveaway sign to the man in the street that his neighbour is in for some necessary home maintenance. This is the most vulnerable part of a window frame subjected to weather conditions and, if neglected, could result in expensive replacement or weakening of the rest of the window frame.

Banishing the need for regular repainting and constant maintenance, however, is a window sill entirely made from white high impact, rigid "Beetle" pvc (supplied by British Industrial Plastics) now available in the UK from Tenaplas Extrusions, Upper Basildon, Pangbourne, Berkshire RG8 SST (049162 333).

The sill extends about 100 mm beyond the window and its outer edge is shaped to cause rainwater to drip well clear of the wall beneath the window. A flange facilitates installation in the new window, and to window frames in need of repair.

Further on the material from BIP PVC Division, Aycliffe Industrial Estate, Darlington, Co. Durham (0325-315122).

major manufacturers for the power generation industry world-wide - just one of NEI's activities.

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SHIPBUILDING

Micro runs a complex sequence

RECENT sea trials in a fast Corvette of a Vosper Thornycroft digital prototype D77 propulsion machinery control unit are believed to be the first occasion worldwide when a high performance warship's machinery has been successfully controlled by a system based on single chip microprocessor computer technology.

The unit chosen for the trials was the propeller pitch control system performing one of the most complex machinery control functions in the ship. The ship has four diesel engines two to a shaft, in a twin-screw arrangement.

The standard controller for the starboard propeller, in the console was replaced with a free-standing prototype D77 unit, wired into the existing connections. The ship then carried out a full programme of machinery trials with the normal unit operating the pitch control on one shaft and the D77 prototype on the other. The ship was not nursed in any way during these trials, which included critical manoeuvres such as crash stops and slam accelerations.

Controls division of Vosper Thornycroft (UK), a member of British Shipbuilders, has been developing equipment based on microprocessors for control and surveillance applications in ships for about three years. The D77 unit for the Corvette trials was selected from this equipment and set to work in a remarkably short time. The work was done in two weeks at base plus six hours on board. The Ferranti F100L microprocessor, designed to meet severe military environmental requirements, is used in the system.

Vosper Thornycroft (UK), Northbarrow Road, Cosham, Portsmouth, PO6 3TR. 07018 7354.

MATERIALS

Cuts the caulking

LINK SEALS for supporting pipes where they pass through sleeves or wall apertures, eliminating the need for caulking or mastics have been introduced by Termain, Stockwell House, Hineckley, Leics. LE10 1HW (0455 32087).

Consisting of a series of rubber links in a chain-like formation supported in a continuous belt by nuts and bolts, the link seal makes use of steel pressure plates which expand within the links when the bolts are tightened with the "chain" round the pipe, thus closing the annular sealing gap.

The seals are maintained against pressures up to 40 ft head, provide physical support and electrical insulation, compensate for misalignment and also provide some shock absorption.

There are eight standard sizes covering annular spaces from 0.468 inch to 2.75 inch thick.

also be used indoors in microwave chambers, and is said to be useful in airborne and space applications in radar nacelles, on bulkheads, and even on exposed surfaces to reduce reflections back into a transmitting antenna.

On ships it can be applied to masts to prevent magnetron detuning or merely to reduce reflectivity.

Standard sheets are two feet square but larger pieces are available. The absorber conforms well to compound curved surfaces and can be bonded to metal surfaces. It can be cut readily with an electric household carving knife or scissors. Cut edges need only be sealed when direct exposure to liquids is anticipated.

Cushioning violent vibration

ELF AQUITAINE NORGE AS, the operator responsible for all developments and installations in the Frigg gas field, has developed a method of solving a particularly thorny problem connected with offshore flare platforms.

Such platforms are necessary to burn off gas under certain working and emergency conditions, but are subject to tremendous vibratory stresses when this is actually done.

Elf sponsored research to examine how gas pressure could be reduced before flaring and the system subsequently developed has been operated successfully on several platforms in the field.

Liquid Control of the UK was given the particularly difficult task of dispensing ten tonnes of silicone elastomer in precisely controlled operations. This had to be pumped, proportioned, mixed and dispensed into the gap between the vertical central gas pipe and an outer casing in the flare structures.

A certain amount of elastomer was also pumped down to the seabed where it encased a manifold connection between the pipe to the gas field and the pipe to the sea surface. This manifold changes the direction of gas flow and effectively reduces its pressure. The elastomer fills the gap between manifold and pipes and an outer casing.

This method of coping with vibration has proved successful and the pipe assembly has been able to absorb the shock of gas decompressing on reaching the surface from great depths at which it is subjected to 200-300 atmospheres. On reaching the seabed connection, the gas is travelling at the speed of sound.

The elastic properties of the Rhone Poulenc compound effectively cushion the resultant shock waves through the pipe, preventing fracture, and possible serious damage to the flare platform itself.

Liquid Control, 25 Harcourt Street, Kettering, Northants NN16 0RR (0536) 81491/2.

Roof repels moisture

DEVELOPED IN Germany, where it has been used extensively for 13 years, Tekurat roofing insulation material is

now being made available in the UK by Ervode Roofing, Common Road, Stafford ST16 3EE (0785 45121).

Use of this material on Coop and Company's clothing factory at Wigan, says the company, has enabled a problem flat roof to be successfully repaired, despite the fact that the environmental conditions had rapidly degraded the previous flat roof within two years, soaking the existing insulation material until it was too wet to be effective.

Despite continuing harsh conditions due to the activities in the building beneath (particularly in the trouser pressing room where high temperature and humidity levels had caused deterioration and blistering of the conventionally insulated roof surface) tests on the roof have shown that one year following re-roofing with Tekurat, the whole roof is still completely dry.

This material promises a satisfactory solution to the problem of entrapped moisture in flat roofs, says the company. It is a composite, over-deck insulation material with particular thermal properties and comprises an upper layer of high quality roofing felt, a core of rigid polyurethane foam insulation, and a profiled aluminium-faced "respiration zone" which consists of a series of interconnected, 5 mm deep pressure equalisation channels on the material's underside connected to the atmosphere, either at the eaves or by means of vents, so that moisture vapour migrating to and within the roof escapes to the air without loss of thermal efficiency instead of being trapped.

How much would it cost to buy the City?

The City of London has been described as the richest square mile in the world. In terms of finance and commerce it is certainly one of the most powerful and influential areas that exist. It houses most of the richest banks and insurance companies of the world.

But what is the value of the City's real estate? It's fascinating to consider how much the institution of 'The City' is really worth. The City has a total rateable value of approximately

£235 million. Using the broad relationship of rental value to rateable value and by applying a suitable Year's Purchase we would guess at the City having a Capital Value of over £5,000 million. Whatever your interest is in property in the City Savills are able to manage it for you, negotiate rent reviews and, of course, let, sell and value it for you, when required. In fact Savills can offer you a professional, discreet and efficient service in all aspects of Commercial property.

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A brochure describing the services offered by Savills called 'All you need to know about property' is available by telephoning Peter Oswald F.R.I.C.S. on 01-499 8644.

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THE MARKETING SCENE

EDITED BY MICHAEL THOMPSON-NOEL

U.S. DEVELOPMENT SCENE

Truth behind the smoke-screen

BY PETER KRAUSHAR

A RETURN to the U.S. is always like a breath of fresh air: so much enthusiasm, so much talk, so much willingness to attempt something new, so much conviction. But what is the truth behind the smoke-screen?

Companies in the U.S. are undoubtedly less afraid to venture into new fields than their UK counterparts. I have been a terrible bore for the last ten years on the need of UK food manufacturers to seek out non-food opportunities, but in the U.S. food companies like Quaker, Nabisco, General Foods, General Mills and many others have done this for a long time. For example, the latter can now look forward to exciting growth opportunities in sports goods, textiles and DIY retailing.

Gillette has not been afraid of venturing into quartz watches, horticulture and sunglasses, while Procter and Gamble has been particularly interesting in its recent entry into skin care and medical and pharmaceutical products.

There is no need to genuflect however; before U.S. marketers, many of whom are facing the same problems as their UK counterparts. Marketing professors write learned papers on new product systems in learned journals, while new products themselves fail because the president of the corporation got up on the wrong side of bed one morning and ordered a new launch without any research at all. Product managers change all the time, so that there is little continuity, and a lack of objectivity presents frequent problems. Products are launched without any distinctiveness, while old-established ones often continue to outperform those that are seeking to replace them.

At the same time, little appears to be known about the cost-effectiveness of advertising, so that large sums of money are often wasted. And there is continuous searching for the latest magic formula, with each and every service company claiming to hold the only worthwhile answers to problems of concept

creation, market simulation, laboratory forecasting, mini-testing and so on.

On the other hand there is a fear of embarking on fundamental technical innovation because of the risks involved and because of pressures from the U.S. regulatory bodies. Most American companies are in fact remarkably parochial. They appear to be concerned only with the U.S., or with regional markets within the whole.

Does this offer comfort to

department stores, usually leasing space from the store and taking advantage of the store traffic while charging fees that are 20 per cent to 40 per cent below average.

Fast food sales continue to soar, of course, while diet and health remain a major preoccupation. There are over 6,000 health and food stores ranging from discount supermarkets to the small counter service shop common in Britain. It is claimed that sales through

has increased, so there has been a significant counter-attack by the rest in the form of intensive specialisation, a trend that will surely be seen in Britain.

It is almost a cliché that British companies, even large ones, have been scared of the U.S. Despite a number of U.S. acquisitions by UK companies, this is still largely true, despite the countless opportunities in America's huge and stable markets. There are even some possibilities of acquisition in a number of areas. Similarly, many U.S. companies which are not in Europe at present are beginning to realise that there could be markets for them to exploit in Britain. Some are undoubtedly interested in making acquisitions only, but there are many others that are keen to enter into distribution or joint venture agreements of various kinds. Such an approach is not without pitfalls, but could well present opportunities for both sides.

Peter Kraushar is chairman of Kraushar Andrews and Easie.

One of America's best-known marketing men volunteered the opinion that companies in Britain probably have little to learn from the U.S. in terms of marketing practice. But we still compare badly in sheer application, commitment and willingness to take risks.

readers in Britain? Certainly one of America's best-known marketing men volunteered the opinion that companies in Britain probably have little to learn from the U.S. in terms of marketing practice. That may be so, but we still compare badly in sheer application, commitment and willingness to take risks.

The most interesting developments in the U.S. are undoubtedly in services and retailing. Franchising continues to grow, not only in traditional fields but also among real estate brokers, in hotels and motels, in employment services and in business aids of all kinds. For example, the number of franchised real estate brokers jumped by 34 per cent last year, when there were 22,000 of them. They have found it a useful advantage to be part of a strong national chain. Are there any such opportunities in the UK? In U.S. dentistry, of all things, the scene is also changing. Dentists are setting up in

health food stores are worth well over \$1bn and that 18m people shop in them while 3m subscribe to the health food magazine, Prevention, despite its forbidding title.

Pets are a major preoccupation, as in the UK (packaged petfoods are claimed to be the biggest single product category in U.S. food shops), and one can even come across dog restaurants (yes, for dogs only) and shops specialising in pet clothes. Tennis is still booming and has led to such shops as Tennis Lady which stock nothing but tennis clothes for women, while the huge displays in sports stores of tennis rackets at much cheaper prices than here would dazzle most aspiring British Borgs. Everywhere there are face factories (beauty parlours) and little stores called House of Nuts which sell nothing but nuts of all kinds—a peculiar idea to British eyes. It is clear that as the power of the large stores

Ornamental claim gets ASA crackdown

SHOULDERED ASIDE by the general election was last week's monthly case report of the Advertising Standards Authority, notable for the following example of consumerist vigilance. The complaint came from Cornwall, was directed against Bentley's Nurseries of South Benfleet, Essex, and is worth quoting in full (the agency was S. F. and Partners):

"Base of complaint: A member of the public objected to claims made in a mail order advertisement for a walnut tree (Juglans Nigra), which stated that the tree would produce heavy crops of edible walnuts. The complainant maintained that the tree offered for sale was an ornamental tree not bearing edible fruit. (Section II. 4.2/1).

"Conclusion: Complaint upheld. The advertiser was unable to produce evidence of yields of the tree in this country to support the advertisement claims. The Authority was advised that although in America the tree produced edible fruit, in the UK it has been regarded as an ornamental tree rather than a nut producing subject, and the advertiser agreed to amend future advertisement copy."

Of 40 complaints investigated by the ASA in February, 27 were upheld, either wholly or in part.

Stanley Pollitt dies at 48

STANLEY POLLITT, a founding partner and joint chairman of the Boase Massimi Pollitt Univas agency, died of a heart attack on Tuesday. He was 48. Previously he was a board director at Pritchard Wood, before helping establish BMPU in 1968.

Joint chairman Martin Boase said last night: "He will be remembered for his pioneering work in repositioning the research function within agencies, as well as for developing new agency structures, all directed at producing better advertisements."

Midland Bank's £2½m for review

AFTER STAYING put for 114 years, the Midland Bank has put its advertising account, expected to be worth £2.5m next year, up for competitive review. Five agencies are involved: the incumbent Arer Barker Heremann, plus Allen Brady and Marsh, Benton and Bowles, Saatchi and Saatchi, Garland-Compton and Young and Rubicam. The account was first proposed with the original Charles Barker agency in 1865.

The bank says there is "no dissatisfaction" with ABH's work. Spending this year is expected to be £2m, around 15 per cent of ABH's current billings. ABH chief executive Simon Barrow said he was reasonably confident about retaining the account. "It will be a fair fight. We wouldn't be pitching it if we thought we were lost fodder."

BRITISH AIRWAYS has consolidated its entire international advertising account (worth \$30m to \$34m) with Foote Cone and Belding. For FCB London, which immediately adds BA's European business to that of the UK, the billings and billings-equivalent gain is virtually £4m.

THE SAATCHI AND SAATCHI Company is acquiring an 80 per cent stake in the Dublin agency O'Kennedy-Brindley, which handled advertising for the present Irish governing party, Fianna Fail, two years ago.

Double broadside for poster business

BY MICHAEL THOMPSON-NOEL

THE ROW over the way the British poster industry is run has broken out again, with the poster contractors accused of excessive price increases, "enormous profits" and de-generating standards of quality and efficiency.

Poster advertising is playing an increasingly important role within the total advertising business, but with outdoor advertising currently the subject of investigation by the Monopolies and Mergers Commission, this week's double-barrelled broadside will hit the poster business where it hurts.

The most sustained criticism came from the Nottingham-based poster monitoring company, Multimark, which openly admits that for the past two years it has orchestrated a campaign against the poster contractors and that it is now determined that the poster industry's "dirty linen" be washed in public.

Further criticisms came this week from the Foote Cone and Belding agency, which claims that in the most fundamental areas, including site quality and buying and selling methods, the poster industry has made little real progress since the deluge of criticism two years ago. The agency says that its own inspection of poster sites has "revealed the disgraceful fact that up to 25 per cent of sites available to short-term users of the medium are virtually worthless, whether correctly posted or not... We believe that the industry for its own long term well-being, must make concerted efforts to bring the

buying and selling of the medium into the 20th century." Multimark's criticisms will hurt most. As a monitoring company, it says its clients include the Central Office of Information, British Airways and Gordon's Gin. It claims much of the credit for forcing the Advertising Agency Poster Bureau into liquidation three years ago—because of "monopolistic inefficiency"—and claims that the inflation of poster site costs has continued at unacceptable levels since then—a situation it has outlined to the Monopolies Commission.

"We are questioning why sites charged at £80 per annum five years ago are now £330 per annum, and other sites formerly at £240 per annum are now being charged at more than £2,500 per site per annum," says Multimark.

It seems incensed with the level of profit enjoyed by the poster contractors, saying it is not against the making of "adequate profits" but that it can see no justification for making them not out of increased output or efficiency but via the "monopoly situation which they have engineered solely for their own gain."

In a letter to managing directors of advertising agencies and specialist outdoor bureaux, Multimark says more O'Ferrall's pre-tax profits grew from £206,000 in 1975 to £341,000 in 1977. (More O'Ferrall's taxable profits for 1978, reported this week, reached a record £1.57m on a turnover of £8.23m.) Profits at the London and Provincial

Poster Group grew from £343,000 in 1975 to £3m in 1978, says Multimark, while at Mills and Allen, profits improved from £789,000 four years ago to an estimated £6.5m last year. "Mills and Allen is not solely a poster company," says Multimark, "but poster incomes are a significant if not major factor in the group's operation." Multimark has recommended that the Price Commission that a detailed analysis of Mills and Allen's accounts be carried out by independent accountants to assist interpretation of the company's outdoor advertising performance.

Multimark says that in future it will take steps to indicate where agencies are paying annual prices to rent poster sites that are frequently greater than the gross realisable value of the properties to which they are affixed—sometimes higher even than the freehold value of the property.

It says it will make frequent valuations of sites on behalf of property owners and will acquaint them with the phenomenal profits and prices being charged by poster companies.

Had the billposting companies removed the worst 30 per cent of their sites, says Multimark, provided a good service on the remainder and created only a small number of packages, it might have been possible to buy posters with confidence. None of these benefits had been introduced, it claims, so that the industry's conduct could be seen to have been "highly reprehensible."

Beer batter and baby yogurt

AS INDICATED above, it is the vigour, commitment and readiness to take risks that most characterise new product development in the U.S. This is borne out each month by the round-up of new product news in Advertising Age, which monitors all developments, however bizarre, writes Michael Thompson-Noel.

In a recent round-up, the magazine noted the growing sales of "synthetic" motor oils: Spectra Industries recently launched Spectra Formula 250, said to be an all-organic motor oil that offers fuel savings of up to 20 per cent and will only need changing every 25,000 miles.

The drinks market almost always makes the list. A.D.P. Liquor Imports, for instance, is launching what it calls Bulling English Lager in Los Angeles, while Rio Queen Imports is introducing Hennessy, a non-alcoholic, low

calorie malt brew, in San Francisco, Los Angeles and New York. The Dallas and Fort Worth markets are now making the acquaintance of Debra's Springs naturally carbonated mineral water. It is bottled in Germany and has been marketed in Europe since the 17th century, which gives it a flying start.

Pets They're inevitably well catered for. Carnation is introducing Groomed Roast Semolina dog food in Columbus, Buffalo and Miami. A 27 oz. packet of six individually wrapped patties will sell at \$1.19 for beef flavour, \$1.25 for cheese.

Baby food is another much-visited market. The Beech-Nut Foods Corporation, reports Advertising Age, is introducing a Beech-Nut Fruit with yogurt baby food line after successful testing in three New England cities. The new baby yogurts come

in three flavours: mixed fruit with yogurt, pineapple with yogurt and peach apple with yogurt.

For adults (presumably) the Booth Fisheries division of Consolidated Foods is introducing frozen fish slices in "beer batter."

Perhaps the most exotic news from the U.S. new products front recently was the announcement that Menley and James' Love Cosmetics division is bringing in scented nail varnish.

"When the enamel dries, the scent is released and lasts for hours. To minimize the clash between different fragrances, floral scents will be used. The scented nail colours are available in gardens, carnation, honey-suckle, hyacinth, tea rose, rose and clear bouquet."

Now who could have thought of that?



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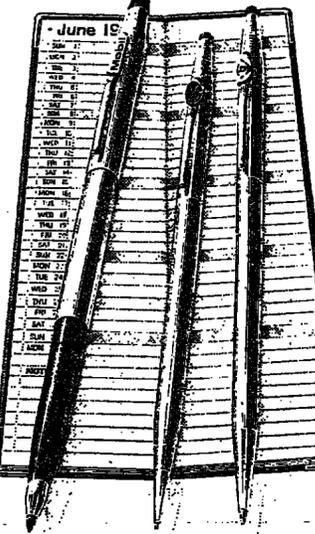
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2nd Edition

BANKING IN THE UNITED STATES

By Dr. Harry Guenther

REVISED EDITION 1979

The author, a past president of Golembe Associates Inc., the leading bank research and consulting firm in the United States, and presently dean of the School of Business Administration at Georgetown University, has now revised his introduction to the structure, regulation and working of U.S. financial institutions. Dr. Guenther also discusses the nature of changes likely to occur in U.S. banking during the 1980s.

The book contains over fifty statistical tables, all updated for this new edition, which give not an abstract model but a real analysis of the variegated nature of banking in the most powerful economy in the world.

136 pp A4, perfect bound, limp cover, 54 tables and appendices.
Price: £5 in the UK; U.S. \$36.00 outside UK, including airmail.

For further details and order form please write to:

The Banker Research Unit,
Greystoke Place, Fetter Lane,
London EC4A 1ND.

NOTICE OF REDEMPTION

To the Holders of

GOULD INTERNATIONAL, INC.

9% Guaranteed Notes Due 1983

Issued under Indenture dated as of June 15, 1975

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the above-mentioned Indenture, \$625,000 principal amount of the above described Notes has been selected by lot for redemption on June 15, 1979 at the principal amount thereof together with accrued interest to said date, as follows:

Outstanding Notes of U.S. \$1,000 Each of Prefix "M" Bearing Serial Numbers Ending in the Following Two Digits:

13 38 62

Also Outstanding Note of U.S. \$1,000 Bearing the Following Serial Number:

M 4200

On June 15, 1979 the Notes designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Notes will be paid, upon presentation and surrender thereof with all coupons-appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 30 West Broadway, New York, New York 10015, or (b) at the main offices of Morgan Guaranty Trust Company of New York, in Brussels, Frankfurt/Main, London or Paris or the main office of Banca Commerciale Italiana S.p.A. in Milan, or the main office of Bank Mees & Hope NV in Amsterdam, or the main office of Banque Internationale à Luxembourg S.A. in Luxembourg. Payments at the offices referred to in (b) above will be made by check drawn on a dollar account, or by transfer to a dollar account maintained by the payee, with a New York City bank.

Coupons due June 15, 1979 should be detached from the Notes and collected in the usual manner. On and after June 15, 1979 interest shall cease to accrue on the Notes herein designated for payment.

GOULD INTERNATIONAL, INC.
By MORGAN GUARANTY TRUST COMPANY OF NEW YORK, Trustee

Dated: May 10, 1979

The following Notes previously called for redemption have not been presented for payment:

M 306 473 785 822 4781 10025 17349 13850 20990 31113 22891 24006 24281 24306 24340 24345 24364
327 509 798 839 10623 14431 18791 20075 21111 21119 24004 24288 24289 24323 24324 24351

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JOBS COLUMN, APPOINTMENTS and BUSINESS OPPORTUNITIES

Go north • Two to care for £40m budget

BY MICHAEL DIXON

IT HAD to happen. The Jobs Column's repetition a week ago of the old instruction "Go west, young man," brought a swift reproach from one Robert Kinnaird.

Far better advice at this time, he said, in a modestly Scottish accent, would be: "Go north, young person."

More specifically, he meant: Go to Glasgow, somebody capable of running and developing a small, scientifically directed advertising and public relations agency specialising in marketing on behalf of concerns, particularly large ones, in the engineering and other high-technology industries.

Over the past decade Mr. Kinnaird has built an international reputation as a consultant in industrial marketing. At first he farmed out the allied advertising and PR work to other agencies. But since he took over his consultancy business from McIntosh, Moores and Murray in 1973, more and more of this work has been done in-house.

Today the principal of the R. W. Kinnaird consultancy thinks it is time he returned to concentrating on the fundamental marketing aspects of his business. So he is seeking a managing director designate to be responsible to him for the advertising and PR services

which have clients in various parts of the United Kingdom, Europe and the United States.

"Our strength is quality rather than quantity," he said, "and my aim is to develop that side of the business slowly and carefully. Whoever comes in will start with about three staff, probably increasing to half a dozen over the next couple of years and to 10 or so by 1985."

"There'll be a good deal of leg work for a while, therefore, even though the person we want will already have done well both in running an advertising or PR operation and in the creative side of the work involved."

Candidates with technical understanding of high-technology industries would have an advantage. But Robert Kinnaird thinks that grafting engineering knowledge on to a skilled advertising manager would be more efficacious than the reverse process. He would also welcome applicants who have added a master's degree in management to practical experience in an appropriate field.

The age indication is 30 to about 38, but there is apparently a good deal of flexibility at the older end.

Salary is not specified, and I gather that there is even more flexibility there. A young applicant who impressed Mr. Kinnaird more with potential than

with proven experience might be offered £8,000 or so at the start. But a fully fledged agency leader, already practised in doing business with top management in client companies, could be offered £18,000 or a bit more.

Perks include a car and the prospects of an equity stake within two years.

Interested readers should write or telephone for an application form. The address is R. W. Kinnaird and Company, 75 Buchanan Street, Glasgow G1 3EH—telephone 041-221 7430.

99-year-old

NOT LONG before his assassination Tsar Alexander II removed the barriers which had kept certain occupations in Russia closed to Jews. So a voluntary organisation was formed to provide the training and tools necessary for such crafts as blacksmithy and carpentry. That happened just 99 years ago.

Since then the Organisation for Rehabilitation through Training, or ORT for short, has grown into possibly the world's biggest private concern supplying training both to children and to adults who have previously lacked the opportunity to acquire working skills.

It is still a Jewish organisation, drawing its £40m annual

budget mainly from communities in the U.S., Canada, the UK and so on, as well as from Israel. But the facilities of its 700 centres in a dozen countries are increasingly used by non-Jewish trainees. An expanding activity, for instance, is the development of skills in underdeveloped countries in Africa and elsewhere under a programme half financed by the World Bank.

One of ORT's particular boasts is that it is the only organisation in France which teaches people to maintain all kinds of elevators and all kinds of typewriters. But the training it provides ranges vastly, from dressmaking to sophisticated electronic engineering.

The approach of the organisation's centenary is complicated by changes. Max Braude, the director-general, is soon to retire, and in September the central administration is due to move from Geneva to London. In the meantime consultant Peter Taaffe Finn is looking for a new director of finance and administration, and a new chief accountant. Both will be qualified accountants who have practised their specialisms internationally.

How the annual budget is allocated is decided by ORT's main committee. But the incoming director will have the "treasury" responsibility of

managing the funds up to the time when they are allocated. Careful supervision of a cash flow of more than £100m a year will be a further duty, as will be onsite inspections of the financial affairs of the 700 centres, half of which are in Israel.

In addition to previous success in similar work at strategic level and in financial control spanning several countries, candidates for the director's job will require the sort of personality needed to impress various international eminences, including potential contributors to ORT. So although culturally transferable finance managers of any nationality would be considered for either job, Jewish candidates for the upper post would have an advantage.

The chief accountant will need experience in day-to-day cash-management on an international scale, and in monthly reporting and allied aspects of management accounting. Like the director, this recruit will have a part in developing improved financial systems and find other languages, particularly French, a help even though only English is essential.

Total staff for both will number about 10. Salary for the director will be about £15,000 plus car. The chief accountant will be paid around £10,000, and will possibly also have a car.

Mr. Finn would like both to work their first few weeks in Geneva before moving with the headquarters to London in the autumn. Career outlines to him at ORT, Whitehall Court, London, SW1A 2EL. Telephone 01-839 2153.

Refinement

BRIAN SALTZER, of West One Selection, wants two people—one on the east coast of the U.S. and the other in Liberia—for an American group operating an American group operating and maintaining refineries and similar. He will honour any applicant's request not to be identified to the unnamed employer until permission is given.

The U.S. post requires towards 15 years' worth of experience as a refinery manager and ability to control not only processing, but also sales, supply and distribution. Salary guide is about £20,000.

The other is for an operations manager qualified at Higher National Certificate level or better, with at least 10 years' supervisory rank in refinery work, and ready to step up to supervising supervisors. Salary indication about £18,000.

Perks for both include car and expatriate-type benefits. Career outlines to Mr. Saltzer at 61 Berners Street, London W1P 3AE. Telex 28804, ref. 3013; telephone 01-636 8791.

The Personnel People Column

Dexion Combino International are moving from Wembley to Watford in September. As a result they need:



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EDP Audit

North West

£10,000

A major north-west based banking group is developing advanced real time computerised systems and has created the new position of EDP Inspector within its Bank Inspection Department. The Inspector will contribute to the development of the new systems in ensuring that they are auditable, will determine an effective audit approach to them in terms of scope and technique, and will supervise the implementation of the revised procedures and the related training of audit staff. Responsibility will be to the Chief Inspector.

The position, to which the group attaches great importance, is demanding and provides excellent opportunities for advancement.

The requirement is for a qualified accountant, preferably aged 28-33, who has undergone formal EDP training with a major firm of chartered accountants and has a minimum of two years' computer audit experience. Technical excellence is essential but experience of banks is not a prerequisite.

The salary is up to £10,000 with generous fringe benefits, including preferential mortgage and other loan schemes. Relocation expenses will be paid.

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Within the retail industry the name of J. Sainsbury Ltd. is synonymous with quality, integrity, service and professionalism. Future company strategy calls for intensive activity over a wide area of operation, therefore a high calibre candidate is required to head up this vital communications role.

The successful candidate, male or female, will be a mature 35/45 highly professional public relations executive with a background in journalism and a progressive record in public relations within the grocery/food business. An essential qualification is the intellectual capacity and sensitivity to command respect at senior level and familiarity with all types of opinion-forming media. He/she must be a sound administrator with ability to provide leadership and direction to the existing competent departmental team.

Location is in London, and relocation expenses would naturally be available if appropriate. Salary is for discussion, but certainly in five figures and with a car. Employment conditions are in keeping with a major progressive organisation.

If you feel you have the qualifications to fill this exacting role, please write with brief details and in complete confidence to:

ERIC JAMESON



Personnel Selection Limited,
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Financial Controller

upto £12,000+car

The well known Japanese manufacturers of audio and video equipment, AKAI, have formed a new company to market their products in the United Kingdom. A key management appointment will be that of Financial Controller.

He or she will be responsible to the Managing Director for the deployment of the company's financial resources and, of course, for the day-to-day control of the accounting and administrative functions.

The need is for a chartered accountant whose achievements measure up to the high standards set by the Managing Director for each of his management team—who are all in their thirties. Skill in articulate presentation is an essential requirement.

Salary negotiable up to £12,000 plus car. Location West London.

Please write in confidence for an application form and a job description to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 1SY, quoting MCS/8760.



SALES AND ADMINISTRATION MANAGER

The Europe Sales and Distribution Headquarters of a large American Corporation manufacturing a range of keyboard instruments and other products and currently expanding its operations in the UK and Europe urgently requires a person to fill the above vacancy.

The successful candidate for this exacting position will be responsible for the general administration, sales and marketing of the Company's products throughout Europe. The person we are looking for should have both above and below line experience and have a proven record in innovating and controlling both distributors and internal export staff.

The appointment would suit someone with international brand experience who wishes to join a dynamic and professional team. A knowledge of German and/or Spanish would be an advantage.

The salary, commensurate with experience will be very attractive. Other benefits will include a bonus and Company pension scheme.

Please write in confidence with full career details including salary progression, to:
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Central Trustee Savings Bank Limited who act as Bankers, Clearing Agent and Investment Advisers to the Trustee Savings Banks Group, seek two Fund Managers, one to assist in the management of fixed interest portfolios and the other with equity portfolios.

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Applications should be addressed in writing to:

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A long-established firm of stockbrokers is looking for an institutional sales executive to complement the sophisticated written research of a leading analyst who covers a specialised sector in British industry. A detailed knowledge of this industry is not essential initially, since the analyst can impart this. The prime needs are energy and enthusiasm. Remuneration will become highly competitive, closely reflecting the commercial success of the individual. Box A.6763, Financial Times, 10, Cannon Street, EC4P 4BY.

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Our client is the International Division of Midland Bank. Because of the rapid development of their activities in the Midlands they now need two further International Finance Executives, who will operate from a Birmingham base. Their role will be to develop the Bank's international corporate business in the area, and they will be capable of negotiating Euro-currency facilities and other financial services at the highest levels in a competitive environment.

Ideally in their thirties, the successful candidates will be able to demonstrate success in the sale of financial services to corporate clients and will have acquired a good understanding of international banking.

They will be able to illustrate their ability to negotiate directly with senior financial directors and will be eager for the challenge and stimulus of a role which presents excellent opportunities for substantial progress in a diversified banking group.

There could also, at a later stage, be opportunities to work in overseas financial centres so fluency in foreign languages would be an advantage, but not a pre-requisite, for career advancement.

Assistance with re-location will be given, and the posts carry the related benefits associated with a progressive bank.

Applicants should write, providing concise personal and career details, to: Mr. C. A. Cotton, Executive Recruitment Division, MLH Consultants Ltd., Park House, 22-26 Great Smith Street, London SW1P 3BU, quoting reference A.125.

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Applications are invited for an Assistant Manager to continue the development of the insurance underwriting management services of a major international trust company in the Cayman Islands. The ideal candidate will be a man of initiative and good judgment, with adequate experience in the underwriting, broking or reinsurance fields.

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Applications, which will be treated in confidence, should be addressed to Box A.6764, Financial Times, 10 Cannon Street, EC4P 4BY.

Eurobond Fund Management

City

£ Neg

Our Client, The United Bank of Kuwait, is actively involved in the management of substantial investment portfolios for Middle Eastern institutions and private clients.

Continued expansion of business has led to the creation of a new position in the fund management/bond trading team, which calls for an individual aged 24-28 with some exposure to a dealing environment in currencies or securities and/or some existing knowledge of eurobonds.

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Male or female candidates should telephone in confidence for a Personal History Form to: LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.

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The position calls for a Qualified Accountant over 35 with broad based commercial experience. Also, as you will play a key role in the control and growth of the group, it is essential you enjoy a high level of business involvement and can communicate with all levels of staff.

There is a generous remuneration package and an extremely pleasant working environment in newly built prestige offices.

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Applicants must be qualified accountants. As considerable maturity is required, suitable candidates are likely to be between 32 and 40 years of age and will offer a minimum of 5 years' post qualification experience in financial situations. Experience should include successful installation and development of systems and the supervision of accounting staff.

The total emoluments will reflect the importance attached to this appointment and will be negotiated at around £15,000 p.a. There are opportunities for equity participation. A company car will be provided. The position provides an opportunity for career development in a challenging and exciting environment.

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Candidates, ACA/ACCA aged up to 32, should have an independent but totally professional outlook, be able to control staff and have at least two years post qualification experience in a commercial environment. Non-contributory pension scheme, life assurance, BUPA, relocation expenses.

Applications in confidence to E. A. C. Griffin (Ref. 6381).

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Applicants should have a high level of basic education and formal training, be cost and profit conscious, and a desire to progress to, or may already be involved in, General Management.

Please reply giving curriculum vitae, to Box No. A6755, Financial Times, 10, Cannon Street, London, EC4P 4BY

BANK OF ENGLAND

Commodities Economist

The Bank wish to recruit an economist to develop the analysis of commodity prices and markets. The work will involve the forecasting of commodity prices as an input to macro-economic forecasts as well as policy analysis and simulation, including for example the implications of price stabilisation schemes and international agreements.

The Bank's substantial market expertise and contacts will be available to assist the work, and facilities will be available for the publication of research papers.

The successful applicant is likely to be an economist in his/her early thirties, with an interest in commodity analysis and forecasting.

Practical experience of research and economic forecasting, preferably in the commodities field is desirable; and a sound knowledge of econometrics is essential. Because of the confidential nature of the Bank's responsibilities, candidates should normally be British by birth and of British parentage. Salary will reflect ability and experience, but will be not less than £8,500.

The appointment will be for two years with the possibility of renewal.

Application forms are available from The Principal (Recruiting), Staff Division, Bank of England, Threadneedle Street, London, EC2R 8AH. Tel: 01-601 4618 or 4632.

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As part of the management team for this new venture the bank requires a qualified solicitor primarily to assist with loan documentation and related matters.

The candidate should have a minimum of two years' experience in the negotiation and preparation of documentation relating to syndicated Eurodollar loans. Knowledge of the Eurobond market would also be an asset. Salary is negotiable with usual bank fringe benefits.

If the challenge of working for the new merchant banking arm of a major bank appeals to you please apply in writing giving personal and full professional details as well as salary requirements to:

Mr. E. D. Ferguson, Co-ordinator
c/o The Royal Bank of Canada Trust Corporation Limited
30-32 Ludgate Hill, London EC4M 7ND
All replies will be treated in confidence.

Foreign Exchange Bank and Investments

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*International Operations
up to £10,000*

Continuing promotion within this British owned international group of companies means they are seeking a number of chartered accountants to operate around the globe advising senior management on internal controls and systems and on improving management information systems.

Debriefing visits to our client's London base will be arranged several times a year and there will be opportunities for secondment to their operating companies.

As this is the recognised route to the top, you can expect to be promoted to more senior positions in the UK or overseas after about three years.

Benefits include a non-contributory pension scheme, use of company car while overseas, first class travel and living expenses and generous home leave arrangements.

Please telephone (01-629 1844 at any time) or write in the first instance—in confidence—for a personal history form. B. C. Oliver ref. B.1246.

These appointments are open to men and women.

MSL
Management Selection Limited
International Management Consultants
17 Stratton Street London W1X 6DB

United Kingdom Australia Belgium Canada
France Germany Holland Ireland Italy
New Zealand South Africa South America
Sweden Switzerland U.S.A.

DIRECT RESPONSE SALES/MARKETING

DIRECTOR DESIGNATE

(Based Manchester)
(Re-location expenses)
Salary c. £9,000

Expansion by a well established group of correspondence colleges has created an opportunity for a person with extensive direct response selling and marketing experience, and demonstrable skills in this field. Duties will involve the writing and control of ad copy, direct mailing shots, promotional booklets etc. There are some staff to control and responsibility for the total sales effort will be assumed on-board appointment. A good progressive career pattern is envisaged. Salary negotiable plus car and other benefits.

Reply in confidence to:
Douglas Knipe
N.S.S. Executive & Sales
Recruitment Ltd.
Danes Inn House, 265 Strand
London WC2R 1AD
Tel: 01-405 9751

FEDERAL HOUSING AUTHORITY

Internal and External Advertisements

Applications are invited from suitable qualified candidates for appointments to the following vacant posts in the Planning & Research Department of the Authority.

POSITIONS

1. CHIEF ENGINEER OFFICER GL14 (N8868-N9828)
2. CHIEF ENGINEER (Materials Research) GL14 (N8868-N9828)
3. CHIEF ENGINEER (Building Research) GL14 (N8868-N9829)
4. PRINCIPAL PLANNING OFFICER (Feasibility Studies) GL12 (N7104-N7752)
5. PRINCIPAL PLANNING OFFICER (Master Plans) GL12 (N7104-N7752)
6. PRINCIPAL BUILDING ENGINEER GL12 (N7104-N7752)
7. PRINCIPAL RESEARCH ENGINEER (Soil Mechanics) GL12 (N7104-N7752)
8. PRINCIPAL CIVIL ENGINEER GL12 (N7104-N7752)
9. PRINCIPAL PHYSICS/PRINCIPAL RESEARCH ENGINEER (Scientific Investigation) GL12 (N7104-N7752)
10. PRINCIPAL STRUCTURAL ENGINEER GL12 (N7104-N7752)

QUALIFICATIONS AND EXPERIENCE

1. University degree or equivalent professional qualification in Town Planning. Ten years relevant professional experience in the field of Data Collection, Preparation of Master Plans, and Feasibility and Viability studies, five of which must be at senior management level. Membership of the Institute of Town Planners of Nigeria or other recognised Institutes will be an advantage.
2. University degree or equivalent professional qualification in Geology, Soil Mechanics, Architecture or Civil/Structural Engineering plus ten years relevant experience in soil investigation, analytical chemistry, materials research, five of the ten years must be at Senior Management Level in a university or research institute. Membership of recognised professional bodies and possession of a higher university degree like Masters or Doctorate will be advantageous.
3. University degree or equivalent professional qualification in Building or Civil/Structural Engineering. Possession of a higher degree like Masters or Doctorate will be an advantage. In addition, applicants must have ten years post-qualification experience in Building Methods and related scientific investigations, five of the ten years must be at senior management level. Membership of appropriate recognised professional body will be an advantage.
4. University degree or equivalent professional qualification in Estate Management, Town Planning, Quantity Surveying plus seven years relevant professional qualification. Membership of appropriate Nigerian or other recognised professional body is an advantage.
5. University degree or equivalent professional qualification in Town Planning plus seven years relevant post-qualification experience. Registration with the Nigerian Institute of Town Planners or other recognised Institutions will be an advantage.
6. University degree or equivalent professional qualification in Building Engineering/Technology, Architecture or in Civil Engineering with emphasis in Building Technology, plus seven years post qualification experience in the relevant field. Applicants must be registered or be registrable with the Council of Registered Engineers of Nigeria (COREN).
7. University degree or equivalent professional qualification in Civil Engineering with emphasis on Soil Engineering plus seven years relevant post-qualification experience. Possession of a higher degree will be an advantage.
8. University degree or equivalent professional qualification plus seven years post-qualification experience in the fields of water, sewage and road design and installations. Applicants must be registered or be registrable with COREN.
9. University degree in Physics plus seven years post-qualification research experience in Scientific Investigation in Buildings and building materials. Possession of a higher degree will be an advantage.
10. University degree or equivalent professional qualification in Structural Engineering plus seven years post-qualification experience in building structures. Possession of a higher degree will be an advantage. Applicants must be registered or be registrable with COREN.

DUTIES

- 6) The Planning & Research Department of the Authority is charged with responsibility for the following and as provided in Section 9 of Decree No. 40 of 1973 which established the Authority:
- "the preparation and submission from time to time to the Government of proposals of National Housing Programmes;
 - "the making of recommendations to the Government on such aspects of urban and regional planning, transportation, communications, electrical power, sewage, and water supply development as may be relevant to the

successful execution of housing programmes approved by the Government."

In pursuance of Section 4 (b) (i) of the Decree, viz: "undertake or sponsor the undertaking of such research as may be necessary for the performance of its functions", the emphasis of this department is on practical result-oriented planning and research. The department is not interested in theoretical research which cannot be immediately useful in providing houses to meet Nigerian conditions.

6) The duties of the positions referred to above are:

POSITIONS

1. Preparation of Master Plan for new Estates and also preparation of feasibility studies.
2. Soil investigation, research on the use of local building materials analysis, etc.
3. Research on building methods, training of construction personnel, research on cost reduction in building, etc.
4. To assist the Chief Planning Officer as may be required on feasibility studies.
5. To assist the Chief Planning Officer as may be required on Master Plans.
6. To assist the Chief Engineer (Building Research) as may be required on building research, and to study industrialised building systems.
7. To assist the Chief Engineer (Materials Research) on soil investigations and design improvements as may be required.
8. To assist the Chief Engineer on Preliminary and final designs of primary infrastructures like roads, drains, water supply, sewage and incineration designs.
9. To assist on scientific investigations to improve ventilation, humidity, air circulation in buildings, and any other aspects that contribute to the comfort of the occupants of a house or building.
10. To assist the Chief Engineer on the investigations and design of the structural aspects of buildings.

SALARY AND CONDITIONS OF SERVICE

Point of entry into the Grade Level stated above depends on qualification and experience. Other

conditions of service are similar to those applicable to the Public Service of the Federal Republic of Nigeria.

METHOD OF APPLICATION

Six (6) copies of the application and Curriculum Vitae together with photostats of credentials should be submitted. The Curriculum Vitae should state inter alia nationality, age, marital status, institutions attended, examinations passed—with grades, full history of employment with duties performed at various levels, basic salary in the present employment and, if unemployed, basic salary at the last place of employment. In the case of position 2, a resume of all previous publications should be made and forwarded.

The applicant shall name three (3) referees. It shall be the responsibility of the applicant to ensure that the referees forward their comments and recommendations to the Authority on the date and in the manner specified below.

All applications and references should be

addressed to:

The General Manager,
Federal Housing Authority,
Festival Town, Badagry Road,
P.M.B. 3200, Surulere,
Lagos, NIGERIA.

and to reach him not later than June 15, 1979. The post applied for or in respect of which a reference is being made should be clearly marked at the bottom left corner of the sealed envelope forwarding the application or the reference.

Only short-listed applications shall be acknowledged and the Authority shall not enter into any correspondence with other applicants. The Federal Housing Authority will make convenient arrangements to interview the shortlisted applicants.

GENERAL MANAGER
FEDERAL HOUSING AUTHORITY

BOVRIL LIMITED, a major manufacturing and marketing Division of the international food manufacturing and grocery retailing Cavenham Group, wish to appoint a

Marketing Director

to succeed the present Director who has been promoted into General Management within the Group.

The Company, since its acquisition in 1971 by Cavenham, has been involved in a major organic growth programme. The Marketing Director is a member of the Bovril Limited Board centred at Enfield which is pursuing this programme and which operates with a high degree of autonomy in a profit orientated Group.

The new Director's responsibility will be for the overall product development, marketing, advertising and strategies to ensure that the entire UK range of retail brands which includes Bovril, Marmite, Cubes from the makers of Bovril and Ambrosia canned milk products are maintained in a leadership position. In addition, will play a considerable part in pursuing the major organic growth programme already developed and this will include the control of extensive test marketing programmes during this financial year for at least three important new brands.

Opportunities for future development into General Management within this fast-growing Group must be as good as any in Europe.

Applicants will likely be aged between 33 and 40, graduates and with a clearly demonstrable record of success or experience in the marketing of fast moving consumer goods (particularly in introducing new brands) and in working with and directing highly professional marketing people within the Company and its Advertising Agencies.

Remuneration is, as one would expect for this major appointment, unlikely to be a barrier. Fringe benefits, including a Rover 3.5 car are also very attractive.

Candidates should apply, in writing, giving details of education, career history and present remunerations, in strict confidence, to: Mr. C. R. Williams, General Manager, Bovril Limited, Bovril House, Southbury Road, ENFIELD, Middlesex.

BOVRIL

Senior Business Analyst

Pricing
London, to £9,000

This will attract an ambitious person in the mid-20's who is looking for excellent experience and career opportunities to match potential. Our client, a major multinational manufacturer and distributor of electronic equipment, has an excellent growth and profit record, achieved within a highly-competitive industry by aggressive and professional marketing. The successful candidate for this vacancy, which has arisen through internal promotion,

will join a young and highly effective team, and prime duties will be to assist in the financial analysis and critique of the group's medium/long term pricing strategy worldwide, and perform the lead financial role in formulation of specific price proposals. Candidates should be graduates, ideally MBA, and have financial analysis/planning experience, gained with a large company. Benefits are excellent and relocation expenses will be paid.

N.P.S. Lilley, Ref: 22147/FT

Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.

Hoggett Bowers
Executive Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE AND SHEFFIELD.

Manager: Finance and Administration

Home Counties c.£12,000
+ car

This soundly based and expanding British owned company is a leader in its particular sector of the machine tool industry. A high proportion of output is exported and there is considerable growth potential both in the UK and overseas.

Reporting to the Managing Director, the Manager: Finance and Administration will have overall responsibility for those functions. Systems are computerised and being further developed. Success in this position will lead to a Board appointment and there may be the opportunity to move into general management at a later date if desired.

The successful candidate will be about 40 years old and preferably, but not essentially, with an accountancy qualification (ACMA preferred). Experience must include a period in light engineering with a sound knowledge of budgetary control and costing. The ability to contribute in a small/medium size company is essential.

Initial salary will be about £12,000 and other benefits include a car and contributory pension scheme. Candidates of either sex should apply, in confidence, quoting Ref. FT/119/F and enclosing a brief career resume to:

TYLB Turquand Youngs and Layton-Bennett
Management Consultants
11 Doughty Street
London WC1 2PL

INTERNATIONAL CORPORATE FINANCE

First Chicago Investment Banking Group requires a person with experience in the international capital markets. The successful candidate will be a member of a small group which is responsible for working with the Bank's corporate customers and generating new business opportunities in Europe. The position has considerable scope and an attractive remuneration package is envisaged.

Please write with full career details to:
Mrs P. Coose,
First Chicago Investment Banking Group,
P&O Building, Leadenhall Street,
London EC3.

FIRST CHICAGO
INVESTMENT BANKING GROUP

UNADVERTISED VACANCIES

Interexco provide Britain's largest and most comprehensive confidential career advisory and job searching service for senior executives entering the employment market either in the U.K. or overseas. Interexco clients are never expected to register with an agency, apply for a job, research an employer, prepare any written presentation, write a letter or even find vacancies.

Interexco trained staff undertake all this and more to assist executives to secure senior positions quickly and effectively. If your future is in doubt, contact:
Interexco,
31 Southampton Row,
London WC1B 6HL.
01-404 4321

Milburn House,
Dean Street,
Newcastle-upon-Tyne,
Newcastle 10652 29334



01-404 4321

Banking

Business Development £10,000 to £15,000

Lending Officers with a strong background in developing business in France or Scandinavia are required by two major international banks.

Chief Accountant c. £12,000

Active international bank seeks a qualified Accountant, 28-35, preferably with banking experience, to assume a senior position in its Accounting Department.

F/X Dealers £ Neg

Several exciting opportunities exist for experienced Dealers, 25-29, in the following financial centres: Bahrain, Cairo, Saudi Arabia, London.

Head of Credit to £12,500

Senior Credit Analysts are required by two of our Clients, both well-respected international banks. In addition to sound credit experience, the ability to supervise a small team is essential.

Lending Officer £9,500 to £11,000

International merchant bank seeks experienced Account Officer, 27-33, preferably with knowledge of at least one European language.

Junior Bankers £4,000 to £7,000

Although principally known as specialists in senior banking appointments, we are often asked by Clients to assist with their more junior requirements. If you have banking experience and seek professional career guidance, we should be pleased to hear from you.

Contact Tony Tucker or Tom Kofinsky in confidence on 01-248 3812.

NPA Recruitment Services Ltd
60 Cheapside, London EC2 Telephone 01 248 3812

Trust Company Executive British Virgin Islands \$25,000

Craigmuir Trust Company Limited is a financial institution in the British Virgin Islands holding a general banking licence and its sponsors are a firm of financial and fiscal advisors based in London and Jersey, and a leading firm of lawyers in the British Virgin Islands. The company has established an office in Tortola, BVI which deals with company and trust administration and now seeks an accountant/trust officer to be the resident Executive for this office. The Executive will be part of a team offering international financial and fiscal advisory services and where appropriate the Executive will be required to travel to meet clients and their advisors. In addition the Executive will be expected to be able to deal personally with the keeping of company minutes and other records, preparation of accounts and tax computations and to train local staff to this end.

The applicant should hold an accountancy or other relevant qualification and have a sufficient working knowledge and relevant experience of company and trust administration, banking and taxation to deal competently with a wide range of transactions.

The BVI has low personal taxation (maximum of 17%) and its currency is the US Dollar. The salary offered is \$25,000 per annum plus benefits.

Interviews will be held in London or Jersey and applications should be made in writing giving the fullest relevant details of education, experience and qualifications to: D. R. Gray, 25 Queen Anne Street, London W1M 9FB.

Operational Reviews in Europe

ACA—mid/late 20's Brussels based

£17,500 with excellent benefits

Microprocessing is one of today's fastest growing industries. This U.S. group has an outstanding growth record with revenues currently in excess of \$400m.

As a direct result of the expansion of its Western European sales and marketing activities it is now seeking an individual to—

- Initially examine systems and procedures and set up formal policies.
- Subsequently establish an auditing function and carry out special assignments.

This new position will provide—

- Excellent business experience in a high technology industry.
- Allround knowledge of European practices and trading conditions.

Please reply in confidence, quoting Ref. U821/FT giving concise personal, career and salary details to R. G. Billen — Executive Selection.



Arthur Young Management Services
Rolls House, 7 Rolls Buildings
Fetter Lane, London EC4A 3NL



INTERSCAN is a young well-established company which specialises in marketing DEX facsimile terminals, communicating

word processing and telephone call logging equipment. Our continuing success has created the following vacancies—

Sales Executives

£1000 +

Mature and experienced sales professionals are required for several areas in the U.K. Applicants should have a sound education and proven sales record in one or more of communications equipment, computer-related products, capital goods or business products.

Successful applicants will be selling one of the company's three product ranges in areas encompassing the major U.K. conurbations. A remuneration package of high basic commission and quarterly bonus enables an on-target performance in excess of £10,000 to be offered.

General Engineering Manager

£10,000 +

A top-level management position to take overall responsibility of an expanding engineering department. This includes field services, installation, product development and stock control. A good technical background in tele-communications and a knowledge of the application of micro-processor technology is essential. Also a minimum of four years' management experience with a proven ability to implement procedures in a rapidly growing company.

Basic £10,000 but negotiable, depending on experience and qualifications. Company benefits for both positions will include car, business expenses, private medical insurance and pension plan. Both positions are open to both men and women. Apply in writing to: Mr. D. W. Knight, Managing Director, InterScan Communications Systems Ltd., 39, Moncreaf Avenue, Slough, Berkshire.

ARTS COUNCIL OF GREAT BRITAIN

Subsidy Finance Officer

The Arts Council has an interesting and exciting opportunity for a member of the Finance staff to specialise in assessing subsidies for Arts organisations. This is a unique chance to enter a field of work which could open out a career in financial administration in the Arts for those with financial flair, diligence and accounting ability.

Starting salary (under review for Civil Service increases) is within the incremental range £3,369-25,103 p.a., according to age, qualifications and experience; 4 weeks' annual leave; non-contributory pension scheme; staff restaurant.

Please write with the names and addresses of two referees to

Mrs. Glensy Palmer
THE ARTS COUNCIL OF GREAT BRITAIN

105 Piccadilly, London W1V 0AU from whom further information is available. Closing date 25th May, 1979.

Marketing Manager

M.D. Designate (UK) for manufacturer of speciality chemicals

Berks from £15,000 + car etc.

Our clients, a UK based subsidiary of a major U.S. Corporation, develops, manufactures and distributes world wide a range of chemical products for the petroleum industry. The present Managing Director retires in 18 months time and the successful candidate will initially assume full responsibility for the marketing function while being groomed to succeed the top position. A key objective will be to increase substantially their market share in Europe via a new Belgian

production plant. Candidates must show a highly successful career in industrial marketing together with well developed general management skills. The ability both to motivate those around them and win the support of corporate management is essential. Ideally the background will include a qualification in the chemical or chemical engineering discipline followed by experience in that or the automotive industry and a knowledge of petrochemicals is a distinct advantage.

N.P.S. Lilley, Ref: 22139/FT

Male or female candidates should telephone in confidence for a Personal History Form to: LONDON: 01-734 6852, Sutherland House, 5/6 Argyle street, W1 6EZ.

Hoggett Bowers

Executive Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LILLES, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD.

FINANCIAL MANAGER

Union Carbide U.K. Limited is seeking an experienced Financial Manager for its Treasurer/Secretarial function, which will be part of a new re-organised Head Office Group located in modern offices in the centre of Sheffield.

The job will be heavily concerned with planning and monitoring cash flow in the Group and the assessment of customer financial credibility and establishment of credit limits. The work will also include areas of Statutory Accounting and Taxation relevant to a multi-million pounds turnover business, operating across ten locations in the U.K.

The successful candidate is likely to be in the late 20's early 30's age range with good experience in the important area of customer credit. Qualifications necessary will be a Chartered Accountant with the appropriate background of previous work being possibly in a smaller company or organisation.

The position offers a fine opportunity for progression and candidate selection will also be based on assessment of future potential.

Assistance with re-location will be given and a fringe benefits package commensurate with a progressive and soundly based organisation is offered.

Applications in writing, giving previous experience, age, etc. should be addressed to:

D.R. Blewett
Union Carbide U.K. Limited,
C/o British Acheson Electrodes Ltd.
Grange Mill Lane,
Wincobank,
Sheffield S9 1HS.

This position is open to both male and female applicants.



FINANCE AND ACCOUNTING MANAGER International consultancy

Central London £10,000-£12,000

Our client, the U.K. branch of a leading international consultancy, is renowned for the high standards adhered to in solving management problems with the objective of increasing profitability and performance.

Reporting to the Managing Director, the successful candidate will control a small finance team responsible for all aspects of accounting and management, and fiscal information for the U.K. branch management, international headquarters, and the consultants.

Candidates should be professionally qualified, (A.C.A., A.C.C.A., or A.C.I.S.), ideally aged 35-45, with a broad base of experience gained within a professional or commercial environment. A knowledge of fiscal legislation and compensation schemes would also be desirable. In addition, they should have the tact and maturity to relate effectively to a multi-disciplined, multi-national team of consultants.

Candidates for this appointment should submit a curriculum vitae or telephone Robin F. Taylor B.A., C.A., or Ronald Vaughan F.C.M.A. for more detailed information and a personal history form quoting reference 2457.

Commercial/Industrial Division
Douglas Lambton Associates Ltd.
Accountancy & Management Recruitment Consultants
410, Strand, London WC2R 0NS. Tel: 01-838 9501
121, St Vincent Street, Glasgow G2 5VW. Tel: 041-226 3101
2, Colston Place, Edinburgh E3 5JA. Tel: 01-225 7244



Financial Director

South West

£15,000-£17,500 + car

The company, well known in the construction industry, wishes to appoint a Financial Director who will also be Company Secretary. Specialist knowledge of the industry is needed and this will have been gained through present or recent involvement at or immediately below board level.

The role is to provide financial direction to the company's already diverse trading activities and to contribute widely to the future growth of the company. Long term plans of the parent group suggest that the job offers considerable scope for personal development.

Essentially the need is for a chartered accountant with sound commercial judgement. Experience of negotiation and the application of data processing to the production of management information will be valuable. The domestic background of the job holder must not inhibit travel sometimes at short notice.

Salary in the range £15,000-£17,500 plus car. Location South West.

Please write in confidence for an application form and a job description to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 8SY, quoting MCS/3752.



INTERNATIONAL LEASING S.A.

is a recently established leasing company based in Luxembourg. The company is jointly owned by PKBanken, the largest Scandinavian bank, and Walter E. Heller & Co., a leading worldwide financial company, headquartered in Chicago. We are expanding and have an opening for a

SALESMAN INTERNATIONAL LEASING

- The person we are looking for should have
- experience in the field of international leasing/equipment financing
- an interest in working in an international setting based in Luxembourg
- a good command of French and/or German apart from English
- be aged between 25-35.
- To the right person we offer:
- a challenging position with unlimited future career possibilities
- a working environment with an opportunity to contribute to the company's overall objectives
- an attractive compensation package in line with the responsibilities of the position.

For further information please contact
M.D.: MR. GUNNAR HEIN or AD. MGR.: MR. JOE ADRUJ
TEL. NO. (0032) 28191 — 31 GRAND'RUE, LUXEMBOURG
Your application with c.v. should be with us no later than June 5, 1979.

If the scope of your present position seems too narrow, if your progress is restricted by circumstances which have nothing to do with your capacity or performance, then you should write to us. We are one of the largest firms of United States management consultants, active throughout the world, and in the European area. We are looking for junior consultants and

Management Trainees

between 25 and 35 years of age.

Your career with us depends entirely on your abilities. There is no selling activity. Nor is there any routine work, as our assignments include production, distribution, sales, marketing and training, for our clients who are major companies active in many different fields. As our projects are Europe-wide, you must be prepared to travel every week. Those who are graduates in economics, business management, sociology, psychology, etc., have the best opportunities with us. But even if you are not a graduate you are not excluded if you can demonstrate solid experience in working with people. Fluency in English, French and German necessary. Knowledge of additional languages will be an asset. The most successful candidates may expect high salaries once the training period is over.

Apply immediately, preferably giving your telephone number, as preliminary interviews will take place in the next few weeks.

LETTER TO BOX NUMBER FT 79 M 8
c/o INSIGHT PUBLICATIONS SA, BD DE LA CAMBRE 42
BTE 13, 1050 BRUSSELS, BELGIUM

CJA**RECRUITMENT CONSULTANTS**
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

An exciting and demanding appointment — scope for further promotion within the short/medium term

**INTERNATIONAL SALES EXECUTIVE—
PETROCHEMICALS****BERKSHIRE****ATTRACTIVE SALARY**

LEADING MULTINATIONAL COMPANY IN THE FIELD OF CHEMICALS AND GASOLINE ADDITIVES

We invite applications from Sales Executives, aged 30-36, qualified with either a University degree in Chemistry or Chemical Engineering, fluent in English, who have acquired at least 3 years' successful selling experience, preferably on behalf of multinational organisations, negotiating volume contracts. The successful candidate will report to the European Sales Manager and be responsible for selling the company's complete product range in the UK and Scandinavia. Up to 70% of time will be spent in the field. The ability to service effectively existing clients and to negotiate profitable volume contracts is important. An attractive high salary is negotiable plus generous fringe benefits. Applications in strict confidence under reference ISEP3919/FT to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
35, NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE 01-588 3588 or 01-588 3576. TELEX 887374.

**Senior position
with
Corning Limited****(North East)**

CORNING LIMITED, a subsidiary group of Corning Glass Works (USA) is looking for an experienced and aggressive Chartered Accountant to take the senior position of Project Manager, Internal Control Development.

Corning Limited Group consists of 6 major divisions and 4 overseas operating subsidiaries with a total turnover in excess of £60m, employs 4,000 people and manufactures a range of products which include: 'Pyrexware' for the domestic market and chemical industry use; laboratory ware; electronic components; medical instruments and reagents. In addition, the Group acts as sales agent for a comprehensive range of glass/ceramic materials and products on behalf of the US and European CGW Associated Companies.

The job calls for the planning and co-ordination of comprehensive programs to upgrade and systematise internal controls in the financial, accounting and operating functions throughout Corning Limited and its subsidiaries.

These programs will result in control and tracking systems which dovetail with company worldwide procedures and meet local management needs in addition to satisfying both internal and external audit requirements. Travel within the UK, Europe and the US will be required.

This senior management position will report directly to the Group Controller and be located at the Group Headquarters at Washington, Tyne and Wear.

The successful applicant (male/female, aged between 30-45) will in addition to being a Chartered Accountant preferably educated to degree standard, have past qualification experience gained with a professional firm.

Several years' industrial experience is essential, knowledge of data processing and international business systems would be desirable, and a knowledge of US accounting practice and a second language ability useful.

Future opportunities will be excellent from this 'fast track' project orientated job. Success will open promotional doors in Europe and the USA in addition to the UK Group.

Benefits and salary will be discussed on interview, but are in keeping with leading international company remuneration packages.

If you feel confident that you have the background and stamina for this opportunity, then write or call: John Parker, Director and Group Controller, Corning Limited, Parsons Estate, District 2, Washington, NE37 1EX, Tyne and Wear. Tel: (0632) 468676.

CORNING**Look upon your
Accountancy qualifications
as an overseas travel permit
Corporate Audit**

We are not just talking about the occasional trip. Before you read any further, we must establish that you are prepared to spend not less than 50% (and probably more) of your time travelling in Europe, Africa, and the Middle East.

As long as you are, we will give you the freedom to control your own operational and financial audits. You will be interpreting corporate policies for overseas operations, evaluate existing internal controls, and recommend operational improvements wherever necessary.

Aged at least 25 and a professionally qualified ACA, ACCA, or ACMA, you should have gained some sound practical auditing experience during qualification. Strong communication skills are essential and you should also be able to bring us a second European language.

The initial salary is negotiable, and will be supplemented by a substantial range of benefits, including generous travel concessions which will allow you to return to the UK every weekend whilst working in Europe.

Please write, with full details, to: E. J. Young, NCR Ltd, North Circular Road, London NW2

NCR

Complete computer systems

EUROPEAN AUDITOR**Insurance Up to £13,000**

We are a large U.S. insurance group with world wide interests. Expansion necessitates the appointment of a Resident Auditor—Europe to conduct financial and operational audits of the company's UK and Continental offices and subsidiaries.

The post will report to the Assistant General Auditor responsible for the property/casualty section. The duties will include development and maintenance of audit programmes; ensuring compliance with company policy and procedures; appraisal of internal controls; and recommending operating improvements.

Candidates will have at least 5 years' experience in auditing with emphasis on insurance or financial services companies, and probably a degree in business studies or economics. The post requires a high level of analytical and critical skill coupled with an ability to operate at all management levels. ACA and fluency in a European language in addition to English is highly desirable.

Location is flexible, and the remuneration package will be arranged according to individual circumstances.

Please reply in confidence giving concise personal and career details to:

Manager Internal Audit,
c/o B, Lime Street, London, EC3.
Tel. No.: 01-626 9541.

BERMUDA**THE BERMUDA
MONETARY
AUTHORITY****ASSISTANT MANAGER
—BANKING**

Applications are invited from qualified accountants preferably with banking experience. The work includes preparation of monthly accounts and management information, annual accounts, bank and deposit company statistics, investment portfolio management, feasibility studies, currency transactions and general administration of the affairs of the Authority.

Salary negotiable.

In the first instance telephone
01-601 4182

**Growth
Appointments
in the
Growth Industry
Over £7,000+ car
LEICESTER**

Swan National is fast becoming the name to follow in vehicle hire and leasing and related activities. Swan National is a well established market leader with a dynamic growth record and employing over 1,000 staff and a fleet of over 10,000 vehicles on hire or lease. Current major areas of operation include:—

- short term car and van hire from 80 UK locations
- fleet vehicle leasing to business houses and industrial organisations
- petrol station ownership and development
- garages and workshops
- over 20 high street retail motor accessories outlets
- international vehicle hire management.

The Group has established plans for further growth in all areas and for the development of new business activities. Recently all financial, accounting and administration departments have been centralised in new modern offices in Leicester. It is now intended to recruit two high flying experienced Accountants at senior level to head significant areas of the total function as members of the management team.

Particular appointments will depend on experience and career goals and it is likely the appointments will appeal to qualified accountants with at least 3 years experience in industry preferably in a staff management role and now seeking a senior appointment where they can make a significant contribution to the complete range of business activity.

Salaries negotiable over £7,000+ car + excellent other benefits. Outstanding career development opportunities in field or line management exist. Write with full details to:—

M. G. Regan,
UDT INDUSTRIES LIMITED,
Boundary House, Boston Road,
Hawell, London W7 2QE.

**SWAN
NATIONAL****Investment Analyst**

An opportunity has arisen for an Investment Analyst to join the small team in our Corporate Investment Department. He/she will provide analytical reports on industries and companies to assist the formulation of policy with regard to investment in UK securities and will assist the Assistant Investment Manager in his dealings in UK securities and in administration.

The post is most suitable for someone in their 20s, with about 2 years' experience as investment analyst, who can think and write lucidly and logically and can communicate effectively at senior level.

Salary c. £6,500 per annum with fringe benefits and excellent working conditions.

Please write giving full details of experience and qualifications to:—

Miss B. M. Bradshaw
Personnel Officer
Reed International Ltd.
Reed House
82 Piccadilly, London W1A 1EJ

**LAND AND PLANNING
OFFICER**

required to join a highly skilled team serving members of the Housebuilders Federation in the North Western Region based in MANCHESTER. Duties include assistance to individual members, participation in discussions with local authorities and statutory undertakers and servicing Federation Committees. In addition to ability to take initiatives, applicants should have a general appreciation of planning and associated legislation affecting estate development. A professional qualification an advantage and experience of the housebuilding industry essential. Age no barrier for the right person. There are good career prospects, attractive salary, car and excellent pension and insurance arrangements. Removal expenses considered.

Applications, within ten days, giving full details of career to date, age and salary required to:
The Assistant Director General
NATIONAL FEDERATION OF BUILDING TRADES EMPLOYERS
82 New Cavendish Street, London W1M 8AD

RESEARCH ANALYST**£6,300****Merchant Bank**

- FUNCTION** — To research into structure of companies' tax structure, appraisal on unquoted companies. Various interesting ad hoc projects.
- COMPANY EXPERIENCE** — Top English Merchant Bank.
- REWARD** — Not necessarily a graduate, but intelligent person with relevant background.
- ACTION** — A secure progressive position with an excellent employment package including mortgage subsidy. Please ring Roy Stokton, M. & J. Personnel Consultants, 01-588 1830/7, Great Buildings, Trafalgar Square, W.C.2.

**Group
Financial Controller****Retailing & Manufacturing****To £18,000+ benefits**

A profitable and expanding group requires an outstanding financial accountant. He or she will control the finances of large retailing, manufacturing, importing and shopping operations, with a combined turnover in excess of £20 million per annum. A prime duty will be to provide authoritative financial advice to senior executives. Candidates, aged 35 to 40, must be experienced in corporate financial planning and budgetary control procedures, and be accustomed to supervising the preparation of management and statutory

accounts in an EDP minded company. A C.A. qualification, knowledge of the retail trade, and experience of manufacturing industries would all be advantageous. Initial remuneration is negotiable in the range £15,000—£18,000 plus car and other substantial benefits. Prospects include a directorship. Generous assistance is available with relocation to a part of West Central Scotland close to many amenities. (PA Personnel Services Ref: AA50/8889/FT)

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services

127 George Street, Edinburgh EH2 4JN. Telephone: 031-225 4481



A member of PA International



Hambros Bank

**Eurobond Syndication
Executive**

We invite applications for an executive position in the Eurobond New Issue Syndication and Trading Department of our International Division.

The successful applicant, who will probably be aged between 27 and 35, will be thoroughly familiar with the techniques of syndicating new issues in the primary Eurobond market and servicing of institutional customers in the secondary market. He or she will join an experienced and expanding team, and the appointment will

provide considerable opportunity for career development and advancement within the International Division.

Salary, which will be negotiable but competitive, will depend on experience. Fringe benefits include non-contributory pension, BUPA and subsidised mortgage.

Please write in strict confidence, enclosing a concise curriculum vitae to: Mr. A. F. Brignall, Personnel Department, Hambros Bank Limited, 41 Bishopsgate, London EC2P 2AA.

Group Financial Controller**(Designate)****London****c. £10,000 + car**

The Edman Group operates a unique range of marketing communication services incorporating seven divisions and employing some 600 staff.

The Group is now looking to appoint a Senior Accountant — initially to take complete charge of the total accounting function for two divisions and — as soon as possible, to become deeply involved in the financial and accounting control of the Group.

This senior position, from which further advancement is expected, carries an excellent starting salary, company car, pension and life assurance schemes and the fringe benefits to be expected of a U.K. market-leader. Probably most important to the right candidate is an atmosphere of growth, challenge and profitability in which he/she can expand.

Write, in confidence, to R. Springall, Group Managing Director, Edman Group, 17-19 Maddox Street, London W1R 0EY.

**EDMAN GROUP****LOANS OFFICER****AGE 28-40****c £10,000**

A respected and substantial International Bank seeks to appoint an ambitious executive to a senior role in an expanding Loans Department. The work involves the management of, or participation in, large-scale multi-currency syndicated loans and the control of the administration related thereto.

The successful candidate will exhibit personal qualities of drive and ambition, allied to a technical background of at least 5 years' experience of this work, gained from within a recognised banking institution.

This is a finite career appointment, offering excellent prospects, and in addition to the basic salary, which is negotiable around the above figure, an impressive benefits package, including bonus, is intrinsic.

Please telephone, in confidence, Brian Durham

BANKING PERSONNEL
41/42 London Wall, London EC2. Telephone: 01-588 0781
(RECRUITMENT CONSULTANTS)

INBUCON**Accounting Opportunity
in the Republic of Ireland
c. £10,000 + car**

One of the most exciting developments in Ireland's economy presents an opportunity for an ambitious and energetic Accountant, male or female, to obtain rapid experience of the development of a large scale multi-national project.

As Budget Accountant you will occupy a vital position in the system of control of expenditure, and will report directly to the Financial Controller. Essentials are — a formal qualification with sound Cost/Management accounting experience which must include substantial Computer exposure in a commercial/industrial environment. Location is a pleasant part of Southern Ireland and assistance can be given in relocation. Annual bonuses and other benefits may be earned.

Send full cv in strict confidence to H. Ian Carlton,

INBUCON MANAGEMENT CONSULTANTS LIMITED
Executive Selection

Knightsbridge House, 197 Knightsbridge, London SW7 1RN. Telephone: 01-584 6171.

City c. £7,000

Loans Administration Supervisor

Orion, a multi-national Investment Bank, requires a person to monitor and co-ordinate the activities of a young team of loan administrators in the Banking Department which manages a substantial loan portfolio of U.S.\$1.4 billion.

Candidates should be aged 35-40 years old, should possess a good academic background and a strong personality: they should be able to demonstrate proven experience in syndicated loans administration within an International Bank active in Eurocurrency lending.

The position offers opportunity for career progression and will interest persons currently in a responsible situation who wish to have a more challenging role, where their skills will be recognised and appreciated, in a dynamic Investment Bank.

First-class fringe benefits include preferential house loan facilities at 2 1/2% per annum, interest-free season ticket loan facilities, non-contributory pension, 75p L.V.'s daily, and, together with an attractive salary, reflect the importance of this position.

Applications, which should be accompanied by a curriculum vitae, will be treated in strict confidence and should be addressed to:

The Personnel Manager,
Orion Bank Limited, 1 London Wall,
London EC2A 5JX
Tel: 01-600 6222

ORION

MANAGER Banking Operations

The Royal Trust Company of Canada, a subsidiary of Canada's leading Trust Company, has an opportunity for a Banking Operations Manager with a minimum of 5 years relevant experience to head up its busy Loans and Sterling Money Market administration department.

This department, which currently has a staff of 10 people is responsible for processing the deals for our computerised accounting system and for providing detailed statistics. The Manager will be expected to be involved closely with the day to day running of the department and must be prepared to adapt to the demands of an expanding Company.

The successful candidate (male or female) should have a broad knowledge of money market transactions and experience in Foreign Exchange Settlements would be particularly useful.

A salary in excess of £9,000 p.a. is offered together with a comprehensive package of staff benefits which include mortgage assistance.

Please apply to the Personnel Manager, giving full details of how your experience to date meets our requirements.

THE ROYAL TRUST COMPANY OF CANADA,
Royal Trust House, 48-50 Cannon Street,
London, EC4N 6LD. Phone: 01-236 6044
(with effect from 14.5.1979)

ECONOMIST

TOOTAL LIMITED, one of the world's leading textile Groups, with sales of £400m well spread over the five continents, has a vacancy for a young graduate business Economist with at least two years experience, ideally in textiles, to assist with forecasting and planning for the profitable growth of the business.

The position is the focus for economic studies throughout the Group. Responsibilities will include advising management on the implications of economic change, financial and strategic evaluations, market research and the preparation of reports for the Board.

The salary and benefits will relate to the challenge of the job. Candidates should write giving brief relevant details of experience, age and present earnings to:-

Group Appointments Manager

TOOTAL LIMITED
56 Oxford Street, Manchester M60 1HJ.

Young Property Finance Executive

We are looking for an enthusiastic and capable young man or woman to join our Mortgage and Property Finance Department in Holborn. The work covers all aspects of property finance - liaison with lawyers, surveyors, property development companies, local authorities, and dealing with the specialised documentation related to this field.

Applicants should be educated to degree standard. A knowledge of the job is not essential as full training will be given; but candidates must already have some experience relevant to one or more of the many facets involved, and be prepared to study for the appropriate exams.

The successful candidate can expect around £4,300 the first year, dependent on qualifications and experience. In addition to this there is a productivity bonus payment. Benefits include non-contributory pension scheme, and, after a qualifying period, consideration for low cost mortgage.

Full curriculum vitae to: Mrs S. Brandon, Staff Department, Prudential Assurance Co. Ltd., 142 Holborn Bars, London EC1N 2NH. Telephone: 01-405 9222, Ext. 2474.

Prudential

Managing Director

Light Engineering

East Anglia

c. £20,000

The Company is an autonomous subsidiary of a diversified group, highly successful and a leader in its field.

Promotion of the existing M.D. to Group Chief Executive has created an exceptional opportunity for you to take full profit-responsibility, heading-up a dynamic and enthusiastic team of professional managers.

Between 38 and 45, you will have been trained to degree-level as an engineer and will have progressed, probably in a large US company environment, via Sales and Marketing into a commercial or business management role having acquired strong financial discipline en route. You will be able to prove an outstanding track record with progression gained through personal achievement, this move representing your logical next step.

You will be a work orientated individual with a strong personality and good "presence" capable of negotiating at top level in international markets, with banks and Government agencies.

The benefits will reflect the key nature of this position and include profit participation, motor car and generous re-location assistance if required.

Please apply giving a brief career summary in your own handwriting quoting Reference 2378 to Mann Management, 124 New Bond Street, London W1.

MANN
MANAGEMENT

Saudi, flag carrier of the Kingdom of Saudi Arabia has a vacancy based in Jeddah for a:

MANAGER CORPORATE FINANCE & FORECAST

Starting Salary £12,400 pa Tax Free

The successful applicant will be required to recommend, plan and implement policies and procedures for forecasting Corporate financing requirements.

Duties will also include:

- Implementation of procedures to determine cash requirements using Divisional information.
- Developing lines of credit and obtaining loan agreement commitments for use on short term financing needs and long term capital expansion.
- Forecasting availability of excess cash and recommending short term investments.

Applicants should possess a University Degree with at least 5 years related experience, and have had previous airline supervisory/management experience involving cash management and forecasting.

This post, open to men between the ages of 25-45, is offered on a two year renewable contract, together with free accommodation, free and reduced rate air tickets for you and your family, 40 calendar days vacation, plus relocation allowance.

Please write giving full personal and career details, quoting job title and department number to:

Area Personnel Manager - Europe,
Department 144/3
Saudi Arabian Airlines,
508/510, Chiswick High Road,
London W4 5SQ

Closing date: 24th May, 1979

PAPUA NEW GUINEA HARBOURS BOARD

APPOINTMENT OF SUPERINTENDENT OF PILOTAGE

The Papua New Guinea Harbours Board invites applications for the position of Superintendent of Pilotage to be based at Port Moresby. He will be required to travel extensively throughout Papua New Guinea.

The appointee will be responsible to the general manager for administration of the pilotage service covering the 16 ports under the control of the Harbours Board.

He will be responsible for all matters associated with navigation, communications, navies, the control of the licensing system, 12 licensed pilots and 6 pilot launches. A prime responsibility will be the training of national pilots.

The initial contract will be for a period of three years and conditions of service will be those applicable to level 10 in government service. Salary will be kina 15,575 per annum. Present exchange rates: K1.00 equals -Lsg. 0.665; Aust. @ 1.25; US @ 1.38. Plus 10 percent special allowance, plus gratuity payable partly throughout the contract and partly on completion of contract at the rate of 24% of salary earned and of this only 5% will be subject to income tax. Free accommodation with hard furnishings provided.

Recreational leave 6 weeks per annum taken after 18 months service with fares for officer and family to city of engagement. Such leave 120 days per 3 years.

School fees: 75% of school fees paid up to maximum of K2,400 per child per annum with fares paid twice per annum.

Present income tax on a salary of K15,575 for married officer with two children is K3,424 per annum.

Applicants must be English speaking, physically fit, have had previous pilotage experience and administrative ability. To have served in a developing country would be an advantage.

Applications should be addressed to the:
GENERAL MANAGER,
PAPUA NEW GUINEA HARBOURS BOARD,
P.O. Box 671,
PORT MORESBY, PAPUA NEW GUINEA.

Closing date is 31st May, 1979.

INVESTMENT ANALYST

Age: 23-32

As a result of expansion within our Investment Management Services Department we are looking for an additional Investment Analyst

This challenging position will offer variety, and appeal particularly to young graduates familiar with non-U.K. bond and stock markets and able to undertake a full range of economic/investment studies. Applications from non-graduates with relevant experience will, however, be equally welcome. Knowledge of a major foreign language is also desirable, though not essential.

A competitive salary is offered plus valuable fringe benefits which include a non-contributory pension scheme, mortgage and loan facilities. Please telephone or write for an application form to Jeffrey Brazier, 01-248 8822, Ext. 338.

LLOYDS BANK INTERNATIONAL
40-66 Queen Victoria Street, London EC4A 4EL
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QS

BANKING RECRUITMENT CONSULTANTS

Credit Manager £9,000+
Branch Manager (S. Coast) £9,000+
Systems Analyst £8,500
(5 years' experience)
Unit Trust Representatives c. £8,000
AGAs £7,500
SBAAs £7,000
Personnel Officer c. £7,000

Please contact

Mike Pope
Sheila Anketell-Jones
236 8731
30, Queen Street, EC4.

STERLING & FOREIGN EXCHANGE BROKERS

£5,000 to £15,000 p.a.

Please contact us if you have experience in Sterling Broking - either Interbank, Local Authority or C.D. markets, or Foreign Exchange Broking: we can currently offer vacancies with leading Brokers in both areas.

Brian Gooch 01-423 1266

JONATHAN WREN
BANKING APPOINTMENTS

FINANCIAL ACCOUNTANT CENTRAL LONDON to £8,500

Associated Newspapers Group Ltd. has an opportunity for a recently qualified accountant to join the Group Accountant's Department.

In addition to national and regional newspapers the Group has a range of other activities and interests as widely divergent as wharfrage, transport, taxicabs, North Sea oil, magazines, market research, furniture manufacture, theatres and the new Seejet cross-channel service.

The Group Accountant's Department is responsible for consolidated accounts, management accounts, tax planning and compliance, project appraisal and investigations.

These disciplines are dealt with by a small team of young accountants each of whom has the opportunity to make the maximum contribution. Responsibility is given early to those who are capable of assuming it.

Working conditions are good and the normal large company benefits are available.

If you are energetic, ambitious and capable of working with a minimum of supervision, you could be the person we are seeking.

Please write enclosing full details to:-

R. N. Gilbert,
Group Accountant,
Associated Newspapers Group Ltd.,
New Cavendish House,
Carnegie St., EC4Y 0JA.

ANG
Associated Newspapers Group Limited

TAXATION EDITOR TO £15,000

Senior Taxation Editor needed for two well established, successful newsletters in the field of International Tax. This is an immensely challenging position, involving commissioning, writing and editing. Considerable contact with writers and contributors is an important part of the job.

There will also be an involvement in our world-wide international tax conferences. This will include planning topics and advising on programmes.

A very high editorial quality is maintained, so substantial experience in taxation is necessary. Ability to write and make involved taxation matters comprehensible is also important.

Please write with curriculum vitae to:

Irvine Laidlaw

Institute for International Research
70 Warren Street, London W1P 5PA

SENIOR PENSIONS ADMINISTRATOR BOURNEMOUTH

Gresham Life, established since 1948 and a member of the Rothschild Group, have a vacancy in the Pensions Department for a man or woman who is highly experienced in pensions administration. He or she must be well versed in both old and new code schemes, having sound experience in pensions documentation and a working knowledge of negotiating with the Inland Revenue.

This is an ideal opportunity for someone looking to take on more responsibility with a progressive company. However, we will also consider appli-

cations from people approaching retirement who are looking for employment of three to five years.

We offer an excellent remuneration package and in particular:

- a highly competitive salary
- generous staff mortgage scheme and relocation expenses
- a non-contributory pension scheme including free life and sickness insurance
- 25 days' holiday per annum



Write or phone:
Richard Garrard, Manager (Personnel)
Gresham Life Assurance Society Limited
PO Box 1
2-6 Prince of Wales Road
Bournemouth BH4 9HD
Tel: 0202 767655 Ext 208

Audit/Consultancy and Taxation UK & Europe

Our client, an international manufacturing company, has three openings within its central London based team which provides consultancy, audit and taxation services to subsidiaries in the UK and Continental Europe.

Audit/Consultancy

Candidates who may be fully or part qualified accountants and/or business graduates should be capable of adapting quickly to a variety of business situations and making significant contributions to administrative performance.

For the first year, up to 60% of assignments will be carried out at their French locations. For one position a recently qualified accountant with fluent French would be preferred. Successful applicants will have the opportunity to gain extensive experience of group operations and should be well placed to move into financial and line management positions.

Attractive starting salaries will be offered in line with age and experience, up to £7,500 plus car, with a further salary review after a six month probationary period.

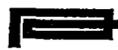
Taxation

This opportunity should appeal to those who wish to develop their interest in corporate taxation. It is envisaged that approximately 75% of time will be spent on tax matters for the UK group including responsibility for the preparation and agreement of tax computations. The remaining time will be devoted to audit and special assignment work.

Candidates may be newly qualified accountants but might possibly come from the Inland Revenue Service or other suitable backgrounds.

Prospects for further advancement within the Group are excellent.

A salary of up to £7000 will be offered with a review after a six month probationary period.



PERSONNEL ADVERTISING LIMITED

Write in the first instance giving brief career details to Brian Page, Personnel Advertising Limited, 22 Red Lion Street, London WC1R 4PX. Please state any companies to which your application should not be sent and quote ref. GRS 532.

ROWE & PITMAN

We are seeking an experienced (minimum five years) Fixed Interest Salesman to take overall responsibility for our Fixed Interest Department.

The Department currently offers a full service in all sectors of the Fixed Interest market to institutional clients. Advising the Firm's Corporate Finance Department is also an important part of its function.

A competitive salary is being offered together with a profit-sharing bonus scheme and non-contributory pension scheme incorporating good life cover.

Applications in confidence with full curriculum vitae to:-

P. N. Smith, Esq., Staff Manager,
MESSRS. ROWE & PITMAN,
1st Floor, City-Gate House,
39-45 Finsbury Square, London EC2A 1JA.

ROWE & PITMAN

Senior Analyst—Oil Sector

Rowe & Pitman is seeking a senior Analyst to lead and develop its present research capability in oil shares. This is an important position and would be attractive to a candidate in the financial community with the appropriate experience.

A competitive salary is being offered together with a profit-sharing bonus scheme and non-contributory pension scheme incorporating good life cover.

Applications in confidence with full curriculum vitae to:-

P. N. Smith, Esq., Staff Manager,
MESSRS. ROWE & PITMAN,
1st Floor, City-Gate House,
39-45 Finsbury Square, London EC2A 1JA.

Financial Analysts & Cost Accountants Electronics London to £7500

Whether you have just decided on a career in finance or have already gained some experience and collected some letters after your name, wouldn't your best career move be to a major international group, a leader in its varied fields?

Our client's expanding business has created new openings offering the chance to be involved in the development of advanced high technology products, using computer based accounting systems. The vacancies occur at Central

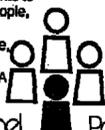
Office and at Divisional level and are open to numerate graduates and/or foundation students, part qualified and experienced qualified accountants.

Whatever the level, they will provide the kind of experience that can only be found in a top-flight industrial group, an attractive salary, and an unusually wide range of benefits and opportunities to progress.

For further details call Jane Woodward on 01-628 2689

or 638 2158, or write to The Personnel People, 18th Floor, St. Alphege House, 2 Fore Street, London EC2Y 5DA

The Personnel People
The Personnel Company in
London, Hartford, Birmingham,
Glasgow, Brussels, Düsseldorf.



FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Telephone: 01-555 3000

Thursday May 10 1979

The succession at Ford: dilemma of a dynasty

BY JOHN WYLES IN NEW YORK

Value of the dialogue

THERE IS more to be got out of negotiations between industrialised and developing nations than the heated rhetorical exchanges that have marked the opening sessions of the fifth United Nations Conference on Trade and Development (UNCTAD) in Manila...

Agreement over such individual commodity associations will probably have more impact in the long run on what producers get and what consumers pay for primary products than the setting up of the Common Fund Trade and Development...

But the expectations that were aroused then of substantial transfers of wealth—and the fears in the west that developing nations might actually have the clout to secure them—were forged in the special circumstances of the four fold increase in oil prices of 1973/74 and of the commodity boom.

To pursue them now against the tide of a slowdown in the world economies is wishful thinking. A good many of the Asian American and South East Asian countries are aware of this and see much more to be gained through bilateral diplomacy or in the quieter corners of specialised negotiations.

Progress Much of the progress that has been achieved in discussions between north and south over the last four years has been over complex technical issues. There was a reminder of the importance of these on Tuesday when the EEC agreed to ratify the proposed liner code that will give developing nations a larger share of non-bulk cargo shipping.

Developing nations are similarly pressing for—and may well get—a code establishing guidelines for the operations of transnationals in their territories. This is also an area of negotiation that falls under UNCTAD as does a proposed code on the transfer of technology.

Backing public transport

A SILLY IDEA can be quite an effective attention-getter for a serious problem, and Mr. Ralph Bennett, the chairman of London Transport, may well have realised this when he called in his annual report for tax concessions to encourage travel by bus.

There is equally a case, involving money costs this time, for further measures to reduce congestion, notably by linking up part-completed networks of urban motorway. Congestion itself is more wasteful of energy than any given mode of transport.

Economic handicap However, even if congestion were reduced far enough to enable public transport to operate efficiently at peak hours, it would operate under an economic handicap. For the owner of private transport, a large part of his costs are fixed by the year, and other costs may appear subjectively to be fixed—for though repairs and replacements are a function of distance, no-one takes them into account in reckoning the cost of using a car for a given journey.

Net benefit There could still remain a case for subsidy for some forms of public transport, based on the argument that the network should show declining unit cost with increasing use. Where this is true—and the facts are at least questionable—it can be shown in theory that the benefit from a subsidy to the travelling public exceeds its cost; and again, foreign practice often gives greater weight to this case than we do.

Again, there is a case which deserves serious study, under the general caveat that subsidies for one part of the transport system should be generated within other parts: there is no clear case for subsidising mobility in general. Transport problems will never be wholly solved, but that is no excuse for abandoning the unending search for the best balance.

THE DYNASTIC tradition in American business is now a great deal more submerged than it was in the early days of the Rockefellers, Mellons and Morgans. Few corporations these days wish to be seen espousing any values other than the ardently meritocratic. While many another founding family has, over the decades, withdrawn into the shadows, there has been one, headed and personified by Henry Ford II, which has been reluctant to cede the spotlight. At Ford Motor Company the name on the front door allied to control of 40 per cent of the voting stock has ensured that the reins of authority and decision-making have been kept in the family's grip. But today could mark the beginning of an important symbolic change, if not a loosening of this grip. For the company's annual general meeting in Detroit looks likely to be the last at which Henry Ford II appears as the company's chief executive.

After 34 years in which the founder's grandson has exercised often autocratic, sometimes irascible, but always extensive personal control, it takes a real effort of will for many to believe Mr. Ford's protestations that he plans to pull back from day-to-day guidance of the company's affairs before the end of this year. The effort required is all the greater because Ford is going through a difficult and bumpy period in which its domestic market share and profits are falling, Mr. Ford and his fellow officers are the target of a tenacious and potentially embarrassing shareholders' suit, the company is being investigated by the Federal Government for possibly making illegal payments abroad and a younger member of the family, disaffected with his patrimony, is trying to elbow his way into contention for a seat on the Board.

The extent to which the traditionally Napoleonic style of management at Ford can explain this conjunction of thorny problems could, and no doubt will be usefully debated at business schools. But in the past 34 years Henry Ford II's abilities and drive have also been credited with saving the company from near bankruptcy in the early post-war period and with subsequently building a major multinational automotive company, at a time when Studebaker and Packard were obliged to depart from the scene.

His leadership has also brought much more flair and imagination to the management of Ford than is generally associated with the more bureaucratic caution developed at General Motors under its legendary chairman of the 1930s and 1940s, Mr. Alfred P. Sloan. Mr. Ford says he plans to give up the chairmanship in the next nine months or so but will remain "an employee" until his 65th birthday in 1982. The intriguing question is why he should elect nominally to quit



WILLIAM CLAY FORD ... catapulted to the top HENRY FORD II ... last AGM as chief executive? PHILIP CALDWELL ... outsider on an inside track

the driving seat at a time when the company clearly needs strong management and, this being the case, will he actually leave day-to-day control in the hands of another? It is widely argued that Henry II will prove no more adaptable than Henry I, who kept the chairman's title until his death at the age of 84 in 1947 and consistently undermined his subordinates including his son Edsel, who was never able to move out of his father's shadow throughout the 24 years in which he held the presidency.

Henry II, however, affirms that he has carried the burden long enough, that there are other (unspecified) things he wants to do with his life and that after a bout of angina in 1976 his health requires a change of pace. He claims that he has been working on the question of management succession since that illness and that the structures and individuals are now in place to guarantee a smooth change at the top.

The first move in this direction came in April 1977 when, after a study by McKinsey and company, he created the Office of the Chief Executive. This, he said, was "designed to pave the way for a natural and smooth management transition at an appropriate time." It was not, stressed the chairman, a plan for an immediate succession since he intended to serve as chairman and chief executive for the next three years and "afterwards as chairman until my 65th birthday." There were two other members of the office: Mr. Lee Iacocca, then president, but also designated chief operating officer, and Mr. Philip Caldwell, who leapfrogged from executive vice-president for international automotive operations to vice-chairman of the company.

Thus it seemed there were two possible contenders for the chief executive's post, with Mr. Caldwell showing a late burst

of speed to challenge Mr. Iacocca's hopes of crowning 32 years with the company by a move into the most important operating slot.

But in the following 12 months something went badly wrong between at least two of the three members of the chief executive's office who were supposed to share "decision-making responsibilities covering the full range of corporate activities and interests." Mr. Iacocca, for whom the words "flamboyant" and "hard-driving" might have been invented, suddenly found early last June that Mr. Ford, who had once given, was now taking away. The three-man Office of the Chief Executive was expanded into four with the addition of 53-year-old Mr. William Clay Ford, Henry's younger brother who had not previously featured as anybody's tip for the top.

Obscure rates

Long a director and corporate vice president of the company, William Clay Ford had not hitherto been encouraged to play anything but obscure roles in the company, most recently as vice president for design. Among other things his surplus energies had been directed to land development in Florida and his ownership of the Detroit Lions football team. But last June he was catapulted to the top, appointed chairman of the Board's executive committee and told to report directly to the chairman, Mr. Iacocca, meanwhile, was left to fume impotently over Henry Ford's elevation of Philip Caldwell to the newly-created post of deputy chief executive and his directive that Mr. Iacocca should in future report to Mr. Caldwell.

A month later the other shoe dropped: Mr. Ford asked for, and received, Mr. Iacocca's resignation. Only the papal

nominations last year received greater media attention and less explanation. Clearly there were disagreements between Mr. Ford and Mr. Iacocca, and clearly the latter was being consigned to the relatively large club of ex-Ford presidents fired by the anonymous chairman. Ernest R. Breech (1960), Arjay Miller (1968) and Simon "Bunkie" Knudsen (1970) all no doubt felt a tinge of sympathy for Mr. Iacocca who has, of course, now gone on to carry the somewhat heavier cross of president of Chrysler Corporation. It is pointless to speculate about the cause of the breach between Mr. Iacocca and Henry II. It may have been specifically related to any one or several of the large problems confronting the company or it may have stemmed from the broader question of the succession.

Henry Ford insists that the company does not have to be run by a member of the family but that it is "appropriate" for a Ford to be in senior management. The world is reluctant to accept him at his word. The most common view is that Philip Caldwell, now aged 59, will be the next chief executive and that William Clay Ford could be the next chairman. He says he is willing to do the job and that his brother is pleased about this. William and his family hold the largest single block of the Class B voting stock; 12 per cent, compared with Henry's control of 7 per cent.

Henry's strongest desire, it is said, is to see his only son Edsel II running the company. But this young man is only 30 and it is not at all clear whether Henry's influence over developments within the company can extend ten or more years into the future. There are, moreover, other family members of Edsel's generation who might wish to stake a claim for future leadership. They include a son of William Clay Ford who is

now aged 19 and Henry II's nephew, Walter B. Ford III who, at 35, may have made his start last year in the company too belatedly.

There is also Benson Ford Jr, son of Henry's brother Benson who died last summer. Benson, aged 29, has requested a seat on the company's board and is attempting to contest his father's will, which he claims does not allow him control of any of his father's voting stock. Henry does not approve of either the bid for a board seat nor the legal action. But nothing that Benson has recently done will cause Henry more anger than his engagement of the famed attorney, Mr. Roy Cohn. Acting on Benson's behalf, Mr. Cohn has filed a court suit charging the unincorporated association which administers the personal affairs of the Fords with a breach of fiduciary duty in managing Benson's interests.

By employing Mr. Cohn, Benson was identifying himself in the public eye with another case being brought by Mr. Cohn on behalf of a few shareholders accusing Henry Ford of a variety of abuses of his position, ranging from allegedly accepting kickbacks from a supplier to taking a \$2m improper payment from the wife of the President of the Philippines, who is on friendly terms with Henry's estranged second wife Christina. The allegations brought by Mr. Cohn, a former counsel to the late Senator Joe McCarthy, contain such a wealth of detail (one charge for example, is that on a return flight from Europe Mr. Ford ordered the company plane to make an unscheduled stop to purchase a single pack of cigarettes for a guest "which stop Henry Ford was quoted as saying cost \$6,000") that one of Detroit's favourite gossip-magazines is based on nominating Mr. Cohn's possible informers. The shareholder suit also touches on an issue which is

under investigation by the Department of Justice and the Securities and Exchange Commission. The purpose is to determine whether Ford made an improper payment to secure a 1975 contract from the Government of Indonesia to build a \$30m domestic satellite communications system. The company denies that a \$1m bribe was paid, while Mr. Cohn is vigorously fighting all of the allegations against his personal conduct.

Government investigations and headline-grabbing allegations are problems that any company could do without at a time of transition. But they are a particular nuisance for Ford because of its own clear and evident problems in the US market. Nothing highlighted these problems better than the contrast between the recent quarter performances at Ford and General Motors. Ford's 27 per cent increase in earnings was entirely due to its overseas operations while profits from its domestic business fell slightly despite a 19 per cent increase in dollar sales. GM, meanwhile, managed a 43 per cent increase in profits on a 20 per cent rise in sales and reported widening profit margins, while Ford's were falling.

Most of the explanation seems to lie in Ford's product mix and marketing. It lacks a big-selling small car to compete with Chevy's Chevette and also a mass-market front-wheel drive car brought out by GM last month. At the same time, Ford's large cars are selling poorly, partly, it must be acknowledged, because of the American consumer's new preoccupation with fuel economy. As a result, Ford looks likely to be struggling for at least another 18 months, by which time the new front-wheel-drive Erica compact saloon should be spearheading an effort to win market share back from GM. Ford's cars accounted for 27.3 per cent of domestically manufactured sales in the first quarter against 29.5 per cent last year.

In the meantime, the company is likely to be leaning heavily on its overseas operations—contributors of 63 per cent of its profits in the first quarter—to help fund capital spending which will amount to \$17m over the next six years. Spending plans for the next three years have been stepped up from \$30m a year to \$3.5bn, which is likely to put a strain on working capital and force it to seek significant outside financing. With these financial needs unavoidably mandated by the demands of the federal fuel economy laws, it is hardly surprising that Ford recently decided against building a new assembly plant in Europe and opted instead for the more economic path of expanding existing facilities.

Thus, uneasy times lie in the future for whichever head is wearing the crown at world headquarters, in Dearborn, Michigan. But doubtless the crown may sit a little more comfortably if the head belongs to a Ford.

MEN AND MATTERS

Basking in the big sell

Sitting at his corner table in the Ritz Restaurant, Maurice Saatchi did not deny that he liked the view. It has been a splendid month for the agency which he and his brother started in 1970. "Of course," he asserts, "the Conservatives are just like any other clients. And you would not expect me to reveal our secrets about Mrs. Thatcher, any more than about Sir Hector Laing and United Biscuits."

None the less, Saatchi concedes, there was a danger in being the Tories' advertising agents. The cartoon in a Sunday paper of the new Prime Minister kneeling in front of Saatchi and Saatchi's front door, saying "I did it your way" would have had a different message in the event of a Labour victory.

"We weighed the risk," says Saatchi—a philosophical character, notwithstanding being still in his mid-thirties. "Our main concern was to have been seen to have run the best possible campaign."

Never before has an advertising agency become so identified as a political emblem, grice, but it denies any political commitment. "I did not die the election very exciting," admits Maurice Saatchi. He gives the impression of being an eager learner about the ways of Westminster, often asking what you think of this politician or that.

Supposing the agency was invited to run a campaign for somebody like President Somoza of Nicaragua? A brief look of anxious puzzlement comes over Saatchi's face. "People in the agency tend to move towards areas which interest them," he answers vaguely. The first account they ever got, nine years ago, was for the Health Education Council; some anti-smoking advertisements won awards for their impact, but Saatchi avoids giving any idea that they have kept away from cigarette advertising on prin-



Perhaps the cigarette manufacturers have kept away from them. Although Saatchi and Saatchi is unlikely to get (or want) the Labour Party account, the victory of May 3 means that other clients are already pouring in. I was not invited into the Charlotte Street headquarters apparently there is no room to move there just now.

With a \$50m turnover, the agency lies third in its industry's league table. Like its best-known customer, Saatchi and Saatchi looks set to be ruling the roost quite soon.

Salmon stakes A mild disappointment awaited me yesterday in the Bloomsbury basement where the Atlantic Salmon Research Trust was hatching plans to extract £500,000 from the public to help save the salmon. Sure enough, there were two plates piled high with a salmon which had apparently been hatched by a member of the appeal committee personally. But also, there was one of the promised champagne.

The problems of salmon (like the unions, a favourite subject of Prince Charles) were graphically outlined to me by the trust's director, a retired vice-admiral called Sir Hugh Mackenzie. Poachers and modern fishing techniques have, he says, devastated salmon stocks: "Only 322 salmon have been caught on the Wye this year. Last year it was 1,622. And I wouldn't advise anyone to take a fishing holiday in Ireland now." The pattern is duplicated all round the world, he says.

As a military man he is keen on intelligence gathering as a prelude to seeking some kind of international action. The salmon is being billed as a romantic creature, as well as tasty, but no attempt is being made to emulate the anti-seal culling

Singular glory

While Swedes and East Germans continue to encourage as much child-bearing as possible, China's programme for limiting her 1bn population is well under way. Apart from free contraception, the principal method of rationing couples to one child apiece is, however, a trifle harsher than withdrawing school milk.

Children regarded as surplus to requirements are denied extra living space or extra food allowances.

Similar measures elsewhere in China have—not surprisingly—been very successful. The authorities claim 8m fewer babies were born in 1978 than in 1971: the target is a 1 per cent growth rate by next year.

Wild words The Canadian Government's compulsory bilingualism programme may be literally driving some civil servants mad. Alan Warren, executive director of the Ottawa-Carleton regional health council, says it has contributed to emotional problems, introducing "stress into the public service."

According to Warren, the programme is blamed by psychiatrists for "a high incidence of mental illness."

Not a bite Card seen in a Teddington shop window: "Left on bank of Thames just below Teddington Lock on Saturday evening, April 28, black tin box containing fishing tackle and upper and lower dentures."

Observer

Advertisement for Famous Grouse Scotch Whisky. Includes a bottle of whisky and a glass. Text: 'The exception that could prove to be your rule. Quality in an age of change.'

ECONOMIC VIEWPOINT

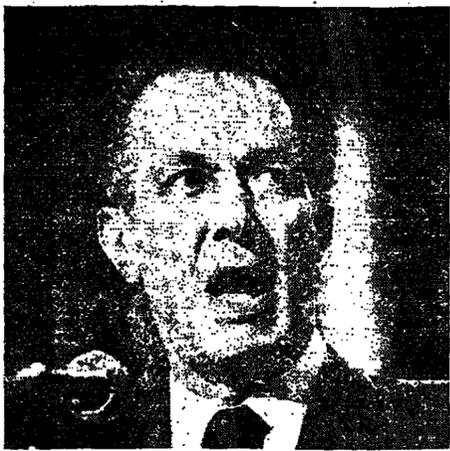
A message from Dizzy to Sir Keith

IT WAS PERHAPS the ablest of all Tories, Benjamin Disraeli who accused his most famous opponent of being "intoxicated with the exuberance of his own verbosity." In the century that has followed the Conservatives have normally liked to think of themselves as practical, clear-sighted men. It is their opponents who are doctrinaire, they like to tell us. Yet we have just suffered an election campaign in which all the rhetoric, not to mention the verse, came from the Tories, and one is left with a nagging doubt.

The doubt which has afflicted even the highest of Tories concerns the basic thought behind much of Mrs. Thatcher's new direction: that Britain is a nation of frustrated entrepreneurial tigers, roaring for liberation from taxes, price control and Quangos. Remembering again the century which has elapsed since Disraeli made his crack, one wonders; it has been a century of almost continuous relative economic decline, under every kind of régime.

What, Mr. Peregine Worsthorpe has asked, if the cage should prove to be full of rabbits? The truth, in financial terms at any rate, is not altogether unlike Mr. Worsthorpe's nightmare. The great majority of the people with big money to handle are institutional fund managers and building societies directors. The real world is not full of tigers and zoo-keepers; it is full of good, grey men, in and out of Whitehall.

In this real world, dogmatic solutions don't seem to fit, as Mr. David Steel and now Sir Leslie Murphy have pleaded with some force. In the myth, the public sector is characteristically cautious but silly, the private sector bold and successful; but in fact one can shuffle these six adjectives in almost any combination. Bold and silly describes equally Burmah or the hovercraft pro-



From the pragmatic Disraeli (right) to Sir Keith Joseph, Industry Secretary: the pitfalls of doctrine.

ject: cautious and silly, BL or Polish ships. Cautious and successful: GEC, Post Office telecommunications. Bold and successful: BP, publicly backed ICL, British Gas, Sir Freddie Laker.

The fact is that while everyone from Mrs. Thatcher to Mr. Anthony Wedgwood Benn now seems united in praise of the potential merit of small business, there is little evidence that the mere ownership of large enterprises is a very important question: what does matter is how they are managed and how they are financed. With these facts in mind, and never forgetting those good, grey fund managers, one can imagine the message that the pragmatic Disraeli (who was capable of a bold stroke of public spending on his day)

might wish to convey to the Tory now most closely concerned with these questions, Sir Keith Joseph. Resist your own rhetoric, and contrive ways to make real, lasting improvements.

There is no shortage of practical problems once one starts looking for them; and the doctrines of both sides are indeed one of those problems. The cycle of nationalisation, denationalisation, renationalisation and so on can kill an industry quite effectively on its own, as witness British Steel. A structure which can be steered to the left or to the right without having to be dismantled would certainly perform better.

However, political interference with management decisions is bad in itself, if it



From the pragmatic Disraeli (right) to Sir Keith Joseph, Industry Secretary: the pitfalls of doctrine.

means uneconomic pricing, disrupted investment programmes, underpaid management and politicised bargaining; so any steering mechanism provided should be rather remote—an idea which challenges another doctrine of the moment, that while bureaucracy is bad, Quangos are worse. They may be better.

The itch to interfere is not just a matter of dogma, however; it springs from two other awkward facts about the public sector.

First, many public industries are natural or contrived monopolies. Contrived monopolies can be opened up to competition with good results, as witness the way Securicor has lived up the express postal service, even under a Labour government, and this process

will be taken further. Why should the Post Office, again, have a near-monopoly of the equipment you can attach to your telephone line? But why, equally, should it not be allowed to compete in this market? Much loosening-up should be possible on these lines.

It is always a question, however, whether public bodies make fair competitors; for they are financed in quite a different way from their private opposite numbers. This may look like a privilege from the outside, but like a millstone from the inside; although finance is sometimes available more readily to public than to private bodies, its cost is often excessive. The Government borrows for the public sector on terms no private concern would contemplate, a burden shared between taxpayers,

French electrical utility) to my own half-serious idea of long-term season-tickets. If the advantages here are worth gaining, it is clear that in one sense Sir Keith has been given far too narrow a brief: refinancing the public sector need not be restricted to the dog-eared little sales catalogue in the Tory manifesto, but could embrace some of the biggest enterprises in the economy. The advantages seem to me enormous.

First, refinancing could make a radical improvement to the cash flow not only of the enterprises concerned, but of the State itself. The grossed-up earning power of the productive state industries is vastly bigger than their historic financial debt, for any industry built up entirely with borrowed funds and retained in a period of inflation must build up equity potential. The public sector would be able to buy in a good deal of its own debt, to the great relief of the borrowing requirement.

Secondly, a new financial basis would necessarily prevent some of the more harmful forms of interference. An enterprise which can raise its own funds in the market would be restricted by general market pressures, but a government would have much less reason to prohibit its capital expenditure as a way of cutting political cost. It would not affect the government accounts. Equally, just in order to make its paper marketable, a public enterprise would need some guarantee to limit political interference in its pricing. A combination of assured financial targets, monopoly restraints and efficiency audits would define the scope of political interference. It is remarkable what

customers and the industries concerned. The financing problem provides one of the most cogent arguments possible for reorganising the public sector. The results could be so helpful that no Labour successor in the future would dare to try to reverse the change.

We are back, then, with the fund managers; because they have to finance the show, the solution should be one which suits their needs, as well perhaps as those of other investors. It is abundantly clear from recent history that an almost undiluted diet of fixed interest stock does not suit their needs; that is why the coupon has inexorably been pushed so high, until recent issues will show a real return of 7 or 8 per cent if everyone's anti-inflation objectives are achieved in a reasonable time. This may be a price worth paying for anti-inflationary success, but it is unnecessary.

Fund managers have to provide against obligations in terms of pensions and insurance, which are related to real values; and the yawning reverse yield gap shows how strongly they prefer assets which have even a whiff of real values to them, despite equity risks, price controls, profits squeeze and dividend controls.

The public sector deals in commodities and services which have some of the most secure real values that could readily be imagined—energy, transport, communications—and includes some notable growth markets. No issuing house worth the name would have any difficulty in devising financial assets which reflected these real values in some way. The range could stretch from equity participation, through bonds denominated in a commodity (such as those issued by the

emerges when you examine a problem not on the basis of doctrine, but of facts. The doctrine says private enterprise is good (or bad), public enterprise bad (or good). The fact is simply that the external services get their finance from the savings institutions, the important practical difference is between fund managers forced to buy gilts, and fund managers offered a choice of assets.

If it is accepted that dictation is bad and choice is good, then a financial revolution suggests itself, which would do more to restore influence to the market place than selling of the holdings of ten NEBs. The financial logic also suggests a profound structural change: that a move from plain State capitalism to something vaguely akin to the U.S. public utility system would have great advantages.

This general rubric could cover a multitude of solutions, from profit-making utilities, or BP solutions, through independently financed State services to co-operatives (a lively enough possibility for the coal industry to have aroused premature thunder from Mr. Arthur Scargill). Their supervision could be based on Quangos, on government departments, on Parliamentary committees or simply on the law. The idea is the starting point for a programme which could involve more than a full Parliament—carry it out. Admittedly, the topic was hardly mentioned in the manifesto. But trouble with election rhetoric is that it is exuberant, and it leads to intoxicated silliness. It is that it is narrow, and it inhibits the large changes which reality demands.

Anthony Harris

Letters to the Editor

Accountants differ

From Mr. B. Waters.
Sir—Mr. Beecham (April 30) suggests that there are really three accountancy professions—the big audit firms, the smaller practising firms and the accountants in industry. Personally, I think it would be a great pity if the profession were to fragment in this way. We should be moving in the opposite direction, towards fuller integration of the consultative committee of accountancy and accountants which together represent nearly 90 per cent of qualified accountants in the UK.

On the other hand, there is no doubt that smaller practising firms and industrial and public sector accountants have had less influence on the development of the profession in recent years than have the ten or so larger audit firms. The resources of the big firms and the fact that they audit the majority of large companies have led inevitably to their playing a major role in the standards setting process.

While I believe that the threat of a Government takeover of the profession has been exaggerated, do believe we should not be complacent about the state of accountancy in the UK. One important reform is to pay more attention to the views of accountants in industry, local government and the smaller firms. We must find a way to give its even though accountants outside the bigger firms are often less able to devote time to professional activities.

The Accounting Standards Committee has recently taken steps to improve its consultative procedures. While the Society of Company and Commercial Accountants is not affiliated to ACCAB, the ASC would surely welcome submissions on proposed accounting standards from the society or indeed any other representative body.

Instead of dividing the profession, we should be trying to cure the causes of our divisions. More consultation on standards is one urgent remedy. Another is to remove the statutory audit requirement for small companies, replacing it with an annual review and less onerous requirements and therefore fewer problems with those accounting standards which are aimed primarily at large public companies.

Far from removing the bread and butter from the mouths of the small practitioner, I believe that such a change would lead to a more positive involvement by accountants in the small business sector. Let's face it, most small companies rather resent the statutory audit, while they are happy to pay for good professional advice on other financial matters.

In the discussion about the structure of the accountancy profession, little has been said about the users of accountancy services. Accountants, whether they work in an industrial company, in a large firm of auditors or in a small practice, serve the business community at large. They face different problems but their tools of the trade are fundamentally the same. Instead of being divided into separate compartments, the different branches of accounting skill should be brought more closely together, thus creating a degree of professional expertise that is available to the business community and to government. A united profession provides the best way both to meet the needs of the

market and to develop common standards for accounting, auditing and reporting. Anything that would be market led, i.e. in the interests of the user of our services, and must surely not come about out of any fear of what government may or may not do.

B. W. Waters.
The Chequers, Preston, Hitchin, Herts.

Where salaries come from

From Mrs. N. Ings.
Sir—John Holden writes, apropos Mrs. Isherwood's letter about teachers' salaries: "No member of the Isherwood family makes any contribution towards mine." (May 5) Whence, then, does he think the money comes to pay his salary? Does he not realise that we all, including the Isherwoods, help to pay it through the prices we pay for the goods or services he helps to produce and it is by no means certain that these prices are reasonable and fair. They could be unnecessarily high in order to provide fringe benefits to people like John Holden, such as company cars and cheap loans for housing, education, etc.

It remains a debatable point whether Mr. Isherwood's security of employment and inflation-proof pension are worth more than the fringe benefits, sometimes including non-contributory pensions, of the private sector, but it is as reasonable to object to paying high prices to the private sector as it is to object to paying taxes to finance the public services.

Mrs. N. Ings.
254, Burton Road, Furze Vale, Via Stockport, Cheshire.

Independent education

From the Headmistress, St. Felix School.
Sir—Evidently Mr. J. Holden, who states in your columns (May 5) that "Schools don't have a right to be independent of the independent sector." Independent schools need to succeed both financially and as educational establishments. The price of failure in either of these fields is bankruptcy, and the consequent loss of jobs for everyone. That is probably why all of us engaged in providing independent education have to try just a little bit harder to maintain our standards.

Production managers

From the Head of the Department of Management, Manchester Polytechnic.
Sir—It seems very appropriate to campaign for change at the time of a General Election. It is even more appropriate to continue the campaign when we elect a Government committed to restoring or developing a wealth-generating attitude within society. Recent publication of the British Institute of Management report, "The career development of the production manager in British industry," is therefore very timely. Although it contains little new evidence, it does add more

credibility to the views that have been expressed regarding the improvements seen necessary to revitalise industry.

We have already seen defensive statements regarding the criticisms and recommendations contained in the BIM report. The criticism of our professional bodies does not appear to me to be misdirected or in conflict with the evidence drawn from comparisons made with other industrial societies.

For too long now we, that is UK Ltd, have been debating the problems of the manufacturing industry; it is recognised that education and training for industry requires a fundamental re-assessment. No doubt the Finnieston Report (unfortunately now not to be published until the autumn) will take account of the need for change, but why do so many assume that the magnitude of provision for production equates with adequacy in terms of standards and performance?

In this respect the BIM report can be criticised in terms of its sample size and the depth of the study. Perhaps it would have been more informative for professional institutions if a closer study was made of the content, relevance and standards of education and training programmes.

Let us stop burying our heads in the sand, accept the need for improved standards, the possible reduction in membership and focus on the national need rather than adopt an insular retentionist institution view.

K. Swann.
Hilton House, Hilton Street, Manchester.

The crumbling of apartheid

From Dr. R. Horvitz.
Sir—Your correspondent's report on Mozambique's economy (May 2) is of great interest and even more significant. He notes a drive by the Maputo Government to revive South African rail-shipping traffic through the ports of Mozambique. President Machel's communist republic in short is driven by the same compulsive interaction between capital and labour that led Lord Milner, arriving in Pretoria at the successful conclusion of the Anglo-Boer War, to re-establish the "modus vivendi" that guaranteed Mozambique's ports fifty per cent of the Transvaal mining economy's-generated trade in return for African mineworkers from Mozambique.

The Anglo-Boer War had its origins, as much as any other factors, in the rail-customs market-shares of the Transvaal Republic's trade by the colonial Cape and Natal and Portuguese Mozambique. Milner to his consternation found it impossible to secure for the Cape and Natal governments the one hundred per cent of rail-shipping business of the Transvaal to the exclusion of Mozambique, because the African mineworkers from Mozambique were critical to the Rand (the Chinese labour indentured having to be repatriated by the insistence of Asquith's Liberals).

The significance of this is that the location of intensive and sophisticated capital investment and negative African labour productivity is such as to override all ideologies. Within the Republic of South Africa it makes a "nonsense" of any "federal" (or confederal) solution to apartheid.

The economy is a unity. Only the enfranchisement of the Africans coupled with entrenched constraints on public expenditure and taxation provides a political solution.

A major increase in foreign investment in South Africa can now rapidly hasten the collapse of apartheid. The report on the same page of recommended changes in industrial legislation shows how far the crumbling of apartheid has already gone under the impact of capital investment—it is nothing whatsoever to do with a "change of heart" by the dominant White polity. (Dr. Ralph Horvitz, London Regional Management Centre, 311 Regent Street, W.1.)

Hong Kong outlook

From the Managing Director, N. P. Wardham and Co.
Sir—In his article of May 2 headed "Subtle Menace to Hong Kong," Mr. Phillip Bowring sees the growing permeability of the border between China and Hong Kong leading to the two sides becoming more alike and so to the Colony's absorption by the mainland. Put in a wider perspective, the osmotic effect he discerns could on balance be regarded as beneficial, rather than demoralising for Hong Kong.

Hong Kong, like Rhodesia, is all that is left of any importance to Britain's former overseas interests over which London can still exercise direct political control. Both are examples of British and indigenous co-operation in strategically important continents; both have had more cause in recent years to fear abandonment by a British government than engorgement by an environment they have learned to tame.

Hong Kong has effectively been a free trade zone, not to say an Anglo-Chinese joint venture, since the middle of the 19th century. Its astonishing success compared with that of attempted imitations in other parts of the Third World owes much to the willingness of its host country to let it regulate itself.

Just as Rhodesia's internal settlement provides an opportunity to build on its resistance to Russian ambitions and, by thus encouraging further reform in South Africa, to help with the modernisation of Southern and Central Africa, so the chance now exists for Hong Kong to be the principal medium for reinvigorating the technological revolution which has replaced the cultural one by which Chairman Mao sought to revitalise his country, only to paralyse it. Both offer British foreign policy, which under the Labour Government had almost evaporated, scope for initiative.

In the case of Hong Kong, there is no reason why there should not now be a new treaty to replace the antiquated ones upon which the legitimacy of the Colony precariously rests. Possibly the Government in Council would need to give way to a chairman of an unimperial commercial body provided in rotation by the leading local trading companies. A resident British political adviser might need to remain.

Instead of trying to use the Harrier jump-jet as a lever for the sale of capital plant on a scale the Chinese cannot yet afford, a treaty giving Hong Kong a new lease of life could be linked to the creation of zones of cooperation in Guang-

dong (Canton) Province and elsewhere on the north eastern seaboard to create the import purchasing power the country needs. They could also attract the technological contribution which Taiwan is particularly well qualified to make to a detente more valid than the one with Russia at which we are beginning to repent.

China cannot rely on its own resources to make the now gargantuan leap forward it wants to make. But with the Great Wall of China ever a tourist attraction, Hong Kong could, among other things, become China's Wall Street. P. S. W. Daw, 30, Hang Chong Building, Queen's Road Central, Hong Kong.

Foot and mouth disease

From the Chief Veterinary Officer, Ministry of Agriculture, Fisheries and Food.
Sir—I refer to the interesting article by Christopher Parkes (April 5) on poultry "plague" and the activities of the European Commission for the Control of Foot and Mouth Disease.

The Commission, at its 23rd general session in Rome recently, discussed the international trade in animal products and the trade to Europe of game meat from Africa. The context was the degree of control at the "free ports" in Europe and of customs bonded products of animal origin generally. Some red meat from cattle, sheep and pigs, and meat from African antelope species, appears to be on offer in Europe by entrepreneurs, and associated with incomplete documentation or false veterinary certification.

Dr. Dragonas, the chief veterinary officer for Greece, expressed anxiety about this trade as it posed a particular problem for Greece, which has to import large quantities of beef. At no time at the 23rd session of the Commission was Greece identified as the source where misleading certification was taking place. The delegates of the 23 member countries of the Commission were asked to review the situation at national level and to report back to the Commission.

A. C. L. Brown (Chairman, European Commission for the Control of Foot and Mouth Disease), Hook Rise South, Tolworth, Surbiton, Surrey.

Stock market fluctuations

From Mr. P. Richards.
Sir—Mr. Friedlander (May 2) disputes that Chartism is not futile and considers it to be a means of comprehending stock market fluctuations. The evidence available clearly demonstrates that the study of charts to forecast the future price movement is futile. In fact, Chartism has no theoretical foundation so it is not entirely surprising that it does not work in practice.

We are all aware that the stock market goes up and down as do random numbers. But this does not prove Chartism works as the stock market is more than it works on random numbers. Paul H. Richards, 22 Nicholas Road, Elstree, Herts.

GENERAL

UK: Mr. Jack Lynch, Irish Prime Minister, pays courtesy call to Mrs. Margaret Thatcher.

Herr Helmut Schmidt, West German Chancellor, starts two-day visit to UK.

Sir David McVie, Metropolitan Police Commissioner, opens European police conference, London.

Inaugural meeting of Association of Corporate Treasurers, Plaisteads' Hall, London—speakers include Sir Jasper Holton, Bank of England deputy governor, and Mr. Alan Clements, ICI financial director, the Association's first president.

Overseas: Ministers of major wheat exporting countries meet in Saskatchewan, Canada, to discuss new International Wheat Agreement.

President Carter meets Panamanian President Aristides Royo in Washington to discuss progress of Panama Canal Treaty.

European Parliament in session, Luxembourg (until May 11).

OFFICIAL STATISTICS
CBI Industrial Trends Survey (April). Finished steel consumption and stock changes (1st quarter provisional). Provisional figures of vehicle production (April). Central Government transactions (including borrowing requirement) for April.

COMPANY RESULTS
Final dividends: Atlas Electric and General Trust, Berkeley Hambro Property Company, Cartiers Superfoods, Holt Lloyds International, King and Shorrock, Marshalls Universal, Sanhurst, Marketing, Secomb, Marshall and Campion, Selin court, H. C. Slingsby, Francis Sumner (Holdings), Usher-Walker. Interim dividends: Davenport Brewery (Holdings), Lloyd's and Scottish, Warnock Estate Holdings, Wood House Trust. Interim figures: Royal Insurance Company, First-quarter figures.

COMPANY MEETINGS
See Company News on page 2

Today's Events

UK: Mr. Jack Lynch, Irish Prime Minister, pays courtesy call to Mrs. Margaret Thatcher.

Herr Helmut Schmidt, West German Chancellor, starts two-day visit to UK.

Sir David McVie, Metropolitan Police Commissioner, opens European police conference, London.

Inaugural meeting of Association of Corporate Treasurers, Plaisteads' Hall, London—speakers include Sir Jasper Holton, Bank of England deputy governor, and Mr. Alan Clements, ICI financial director, the Association's first president.

Overseas: Ministers of major wheat exporting countries meet in Saskatchewan, Canada, to discuss new International Wheat Agreement.

President Carter meets Panamanian President Aristides Royo in Washington to discuss progress of Panama Canal Treaty.

European Parliament in session, Luxembourg (until May 11).

OFFICIAL STATISTICS
CBI Industrial Trends Survey (April). Finished steel consumption and stock changes (1st quarter provisional). Provisional figures of vehicle production (April). Central Government transactions (including borrowing requirement) for April.

COMPANY RESULTS
Final dividends: Atlas Electric and General Trust, Berkeley Hambro Property Company, Cartiers Superfoods, Holt Lloyds International, King and Shorrock, Marshalls Universal, Sanhurst, Marketing, Secomb, Marshall and Campion, Selin court, H. C. Slingsby, Francis Sumner (Holdings), Usher-Walker. Interim dividends: Davenport Brewery (Holdings), Lloyd's and Scottish, Warnock Estate Holdings, Wood House Trust. Interim figures: Royal Insurance Company, First-quarter figures.

COMPANY MEETINGS
See Company News on page 2

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AUSTIN REED

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Sears sales top £1bn and profits leap 39pc

A 39 per cent jump in taxable profits is announced by Sears Holdings, the group which takes in stores, footwear, engineering and betting offices. Sales for the first time topped £1bn.

The pre-tax surplus for the year to January 31, 1979, advanced from £55.5m to £91.1m on turnover which rose just over 12 per cent to £1.1bn.

At halfway the group recorded a 72 per cent increase in pre-tax profits from £18.5m to £31.9m. The directors then said the midway results should not be taken as a guide to the whole year because some of the group's activities were seasonal.

The Board says that all operations, except department stores, increased profits in the full year. The footwear side was the most buoyant with a 37 per cent jump in trading profits to £56.8m.

The engineering division staged a turnaround from a loss of £1.2m to £82,000 profit. The betting office side also showed a marked improvement with a trading profit rise from £5m to £5.2m. In the U.S. the linen hire, industrial laundries and knitwear distribution made further progress with a turnaround from £1.3m loss to £1.8m profits. The loss in 1978-79 was £9.3m.

The Board adds that the retailing operations now represent more than 80 per cent of trading profits.

After tax of £48.6m (£36.5m), an extraordinary debit last time of £3.4m for the disposal of Highlander in the U.S., minorities of £763,000 (£731,000) and preference dividends of £157,000 again, there is a big increase in profits attributable to shareholders. The figure is boosted by 65.5 per cent to £41.53m.

The final dividend of 0.94p per 25p share lifts the net total from an adjusted 1.29p to 1.44p. Stated earnings per share are up from 2.7p to 4.6p after the extraordinary item and from 3.1p to 4.6p, excluding it.

There are non-trading profits of £1.4m against £1.8m. These are after exchange losses of £980,000, compared with £1.6m.

Chairman Leonard Sainer said results for the first quarter of this year appear "satisfactory".

Another increase in profits looks on the cards for the shoe operations, with volume running some 10 per cent up on last year.

Turnover of the department store operations had shown an improvement and the engineering and motor vehicle sides were also improving. But the betting shop operations were hit by the

HIGHLIGHTS

Lex looks at the poor set of Banking figures for April which highlights the monetary pressures facing the new Government. On the company front Standard Chartered has produced the long expected rights issue following the recent finalising of the Union Bancorp of California purchase. Sears' profits are up by 39 per cent thanks to a sharp improvement from footwear retailing. Sainsbury has enjoyed bumper volume growth but a poor final quarter, due to the winter's disputes and weather problems, has taken the edge off what are still very good figures. Finally Lorrain has succeeded in winning control of SUITS by slightly improving the terms of its offer. Elsewhere, London and Northern produces profits higher by 84 per cent and restores the dividend, but the share price slid by 1p to 47p. Jobbers Akroyd and Smithers reveal buoyant half-time figures and at Buxal the Austrian operations appear to be coming round. Matthew Hall's profits are at the top end of the company's forecast and Mallinson Denny reports profits £1m higher.

	1978-79	1977-78
Turnover	1,103,464	991,228
Footwear	310,970	245,443
Dept. stores, etc.	291,596	244,455
Engineering	95,287	104,228
Motor vehicles	128,482	104,228
Betting offices	266,280	289,017
Property	35,571	19,852
Linen hire, etc.	31,022	37,322
Trading profit	38,183	74,749
Non-trading items	28,818	41,358
Dept. stores, etc.	19,670	21,587
Engineering	5,282	11,152
Motor vehicles	3,172	4,974
Property	6,063	4,448
Linen hire, etc.	1,905	1,258
Interest paid	5,511	11,011
Non-trading items	1,287	1,772
Profits before tax	31,069	65,511
Profits after tax	49,554	38,573
Extraordinary debit	42,995	28,388
Minorities	763	731
Preference divs.	4,172	24,627
Attrib. to Ord.	41,575	24,638
Ordinary divs.	13,587	13,084
To reserves	28,987	13,084
Losses	—	3,444

The group is still on the lookout for a major U.S. acquisition. A decision looks as if it could be taken within the next few weeks on one possible \$50m deal. The company under the spotlight is private and in the retailing field. "We are talking price at present," said Mr. Sainer.

Another smaller U.S. takeover move is also possible on the cards. Once again, this is in the specialty retailing field and the likely cost could be some \$25m. But talks on this possible acquisition are at a very early stage.

Further expansion in Europe is also under consideration. Sears has successfully established its retail chain in Holland with some 130 shops. The group is on the lookout to add on further retail-

ing chains to these interests in France and Germany.

For the UK the emphasis will be on growth through established interests.

See Lex

LK Indust. slumps in second half

A SLUMP in second half profits from £148,038 to £37,456 left L.K. Industrial Investments down from £310,668 to £201,000 for 1978.

The directors say there was a substantial loss by Kirby Dartford, the group's cardboard converting machinery maker, in the second period. Every effort, they add, is being made to increase sales and profitability.

After a low tax charge of £19,000 (£98,895), earnings are shown to be 7.62p (8.52p) per 25p share and the dividend is stepped up to 2.5p (2.6p) net with a final of 1.45p.

Some directors are waiting dividends on 225,000 shares.

The group, a holding concern, is involved in the manufacture of metal products, sale of products to clothing trade, and manufacturing of inflexible products.

	1978	1977
Turnover	4,540,000	3,874,288
Profit before tax	201,000	310,588
UK tax	18,000	36,895
Attributable	183,000	273,693
Prefer. dividends	1,280	1,280
Ordinary interim	11,257	28,332
Ordinary final	31,267	28,332

AN 84 per cent jump in profits and a dividend total increased by 67.5 per cent are reported for 1978 by the London and Northern Group, the construction, building, metal reclamation and steel concern.

After recovering in the first six months group pre-tax profits accelerated by 130 per cent in the second half taking the year's total up to a record £11.77m compared with £6.97m.

The final dividend is 2.1p raising the net total from 2.0p to 3.35p. This restores the cut made in 1977 when profits fell to £6.4m.

The result (achieved on only a 6 per cent increase in turnover of £173.6m) reflects greater profitability both in the UK and overseas, the directors report. And figures for the first months of 1979 show an improvement.

After tax and minorities the 1978 attributable balance comes through 73 per cent ahead at £5.16m and earnings per 25p share are stated to be up from 5.2p to 9p.

The proposed final dividend is 2.1p which raises the net total from 2p to 3.35p.

The directors point out that net borrowings are down by 26m to £15m.

At midway, profits were up from £316,000 to £516,000, and the directors saw no reason why full-year results should not show a continuing upward trend.

After tax for the year of £448,000 (£263,000), stated earnings of 10p per share are higher at 5.55p (4.89p). The net final dividend is lifted from 0.79p to a maximum of 0.85p, making a 1.55p (1.37p) total. A one-for-four scrip issue is also proposed.

Minorities took £16,000 (£94,000), reflecting the acquisition of Rowlands Engineering. Attributable profit came through at £576,000, against £494,000.

The directors say the results incorporate the benefit of restored margins in the livestock division, whose contribution to the 1977 result was affected by the conditions experienced in the industry at that time.

London and Northern has probably done all that even the many sceptics might have expected. Profits climbed 84 per cent to a new peak and the dividend cut by 5m and the restored dividend is well covered. Barolin, an albatross since 1974, recovered to a break-even position after the previous £1.5m loss, the contribution from the scrap metal and steel stockholding division climbed by about £1m to £2.5m and Pauling proved the star performer with a £2.5m trading profit gain. European Earthmovers turned down by 50 per cent to about £300,000, but the experience of tough weather conditions in 1978 suggests that, like much of the UK construction industry generally, the earth moving division has been badly affected in the first quarter of the current year. Against that, the overseas side and a buoyant scrap performance have apparently done more than enough to maintain the overall

	1978	1977
Turnover	173,600	163,500
Pre-tax profit	11,767	6,371
Taxation	5,274	5,274
Minorities	688	700
Attributable	5,159	3,087
Earnings	1,577	1,206
Dividends	2,583	1,028

momentum but the shares still need to erase the memory of the controversial dividend cut in 1977. On a p/e of under 5 and a yield of 11.1 per cent at 47p, down 1p yesterday, the rating retains an elephant's recall.

DESPITE a slow-down in the second half, Feedex Agricultural Industries finished 1978 with taxable profits 27 per cent higher at a record £1.04m compared with £821,000 previously. Turnover increased 7 per cent from £20.65m to £22.19m.

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Singlo Hlds. warns on Indian profits

A reduction in profits from India is expected in the year to March 1979 by the directors of Singlo Holdings. They point out that auction prices for tea rose in the first six months, but the results from Malawi will also be hit by the low level of world tea prices.

In a progress report on the year to March 31 they say the saleable crop in kilos was 3,207,000, compared with 3,170,046, and 2,787,077 (2,419,783) was sold in the year to March 31. But the net sale price had fallen from 95.55p to 77.25p.

The directors add that the expansion of tea and glassware division, Barnums, had traded most satisfactorily, but Purbeck Ceramics had a difficult year. Wood Brothers was hit by the industrial difficulties early in 1979 and this will be reflected in the division's results.

On the food and drink side Fieldsman Soft Drinks will make a useful contribution, but Fieldsman Preserves suffered a serious shortfall in budgeted sales and the results continue to be poor. Completion of the Norman's (Buddleigh) merger is expected in early May. Norman's, the West Country-based discount food retailer, is being bought by Singlo for an initial sum of £2.25m, of which £2.15m will be in cash. Part of this is being met by a rights issue.

Last year Singlo turned in £908,000 (£922,000) taxable profits. A 0.5p net interim dividend has been paid and the Board has said they intend to pay a 0.5p second interim and a final of 0.742p, making a total for the year of 1.742p.

ON SALES up from £811m to exceed £1bn for the first time, pre-tax profits of J. Sainsbury, supermarket group, finished the March 3, 1979, year at a record £32.66m against £27.58m, a rise of 18.4 per cent. Second half profits showed a £2m increase to £17.1m.

Discount trading was started in January 1978 and in its first complete year Mr. John Sainsbury, the chairman, says, "The very success we have enjoyed is justification for the move we made."

During the year seven new supermarkets were opened adding 126,280 sq ft of new sales area and over 50 new stores are expected to be opened in the next three years; some 188,310 sq ft of sales area is due to be added in 1979/80.

After SSAP is adjusted tax of £6.25m compared with £6.54m, net profit came out at £26.41m (£21.02m) giving earnings of 31.83p (25.34p) per 25p share. The dividend is stepped up to 7.12p (6.06p) net with a final payment of 4.85p.

The chairman says that one of the features of the year was the success of the group's new supermarkets in the North West of England. And the two stores opened in Yorkshire, in 1974 and 1975, continued to progress satisfactorily, he adds.

SavaCentre, joint company with British Home Stores, "has had a most encouraging year," he states, the first SavaCentre hypermarket at Washington, Co. Durham, achieving a satisfactory profit with sales growth well above expectations.

The second SavaCentre opened

Feedex passes £1m mark

DESPITE a slow-down in the second half, Feedex Agricultural Industries finished 1978 with taxable profits 27 per cent higher at a record £1.04m compared with £821,000 previously. Turnover increased 7 per cent from £20.65m to £22.19m.

At midway, profits were up from £316,000 to £516,000, and the directors saw no reason why full-year results should not show a continuing upward trend.

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P. C. Henderson profits leap £0.7m to best-ever £2m

PROFITS before tax of P. C. Henderson Group, maker of sliding door gear, were well ahead from £1.33m to a record £2.01m for the year ended March 3, 1979, with £718,000, against £452,000, coming in the first six months. Full-year sales rose by £3.74m to £24.34m.

The directors say results would have been better but for the effects of the severe winter and the transport strike.

Improvement was mainly attributable to further sales growth in the UK in better market conditions; improving results from the reorganised U.K. industrial door business; and a further year of tight control over working capital.

A satisfactory start has been made with the introduction of the first of a series of new products, the directors report.

At the half-year, they looked for improvements from the Continental subsidiaries but these have not been fully realised and the directors are continuing to strengthen management and to improve product ranges in these countries.

As the liquidation of the French subsidiaries has not been completed, the directors are to provide this year against the full remaining value of the French trading investment.

From higher stated earnings of 10p per share of 34.3p (16.3p) the net dividend total is raised from 4.85p to 4.81p, with a 3.116p final—the directors intend to adopt a more generous distribution policy if dividend restrictions are modified.

After tax for the half-year of £120,688 (£114,794), earnings per

have been revealed to show a surplus of £1,198,000, which has been incorporated in the balance-sheet.

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10p share are shown to have risen from 0.98p to 1.03p.

The net interim dividend is stepped up from 0.331p to 0.36421p. The directors intend to recommend a 0.542156p final, making a maximum permitted 0.9063956p (0.823996p)—if the present dividend restraint is lifted in July, they add, a substantial additional increase will be recommended for the year under review.

The directors say Westpoint, Slough, has been completed and let at £683,000 annually to RHM Flour Mills, a wholly-owned subsidiary of Rank Hovis McDougal. The remainder of the development programme is proceeding satisfactorily—Regional House, Slough, is expected to be completed by September, while Fountain House, Whitefield Street, W, will be completed by next March.

An independent investment properties valuation, including Westpoint, will be carried out at year end. It is estimated the valuation will produce a substantial increase in the value of properties held for investment and net assets.

It is proposed to establish a profit-sharing scheme.

SALE TILNEY

Mr. Tom King, chairman of the engineering to food distribution group Sale Tilney, has resigned as chairman following his appointment as a minister in the new government.

Mr. Richard King, a non-executive director, is taking over as chairman.

Dividends Announced

Company	Current payment	Date	Corre. Total	Total last year
Akroyd & Smithers Int.	5.02	July 4	5	16.75
British-Borace	4.46	July 5	4.46	6.81
Bunzl Paper	2.29	July 2	2.05	5.48
Derwent	7.73	July 12	6.87	11.02
External Inv.	2.85	July 4	2.5	5.6
Feedex	0.89	—	0.79	1.54
Matthew Hall	6.52	July 2	5.32	8.49
P. C. Henderson	3.12	July 2	2.82	4.82
L. K. Industrial	1.45	July 2	1.3	2.6
Len. & Prov. Shop Int.	0.36	July 3	0.33	10.91
Mallinson-Denny	1.87	June 29	1.54	3.12
J. Sainsbury	4.35	July 27	3.99	7.12
Sears	0.94	—	+1.29	1.44
Transatlantic and Gen.	2.75	July 4	2.26	5.23
UEI	2.3	June 6	1.11	3.65
Westward TV Int.	0.65	June 21	0.6	2.2
Winchmore Investment	2.71	June 30	2.46	3.11
C. H. Peases	1.14	June 15	1.3	3.77

Dividends shown pence per share net except where otherwise stated. An Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Forecast final of 0.5422, making 0.9064.

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Lond. & Provl. Shop sees over £0.54m

Pre-tax profits of London and Provincial Shop Centres (Holdings) rose from £229,758 to £332,098 in the half-year to December 25, 1978, after interest up from £199,832 to £296,794. Gross rental income was higher at £602,084 compared with £512,812.

The directors estimate full-year profit, based wholly on investment income, will be in excess of £540,000—last time the taxable surplus was £517,000.

Full-year gross rental income is expected to rise to some £1.4m (£1.07m), increasing to about £2m from £229,758 when completed investment properties in the 12 months starting June 25, 1979. This does not include any income from the letting of developments under construction, the directors add.

After tax for the half-year of £120,688 (£114,794), earnings per

Moutafian Commodities Limited

2/4 Eastcheap, London, EC3M 1AL

International Merchants and Brokers, specialists in soft and hard commodities

are pleased to announce Pre-Tax Profit of £2.417m for 1978 as against £2.173 for 1977.

Paid-up Capital increased to £5m from £3.6m.

The Chairman Mr. A. N. Moutafian, reports that 1978 was yet another record year and that in the absence of exceptional conditions for the rest of 1979 the indicators are set fair for another successful year's trading.

Ruberoid's First Million

Points from the Review of the Chairman, Mr. Thomas Kenny, FCA.

- * Pre-tax profit for 1978 up 30% to record £1.1m.
- * Sales 3% ahead at £32.5m.
- * Earnings per share up from 4.50p to 5.78p.
- * Net assets per share at year-end were 65p.
- * Having entered the million-pound profit class, we have every intention of staying there.

Ruberoid Limited
1 New Oxford Street, London WC1A 1PE

The building products, specialist sub-contracting, paper and plastics group.

Copies of the Report and Accounts are available from the Secretary.

AMC Amalgamated Metal Corporation Limited

Extracts from the Annual Report for the year ended 31 December 1978.

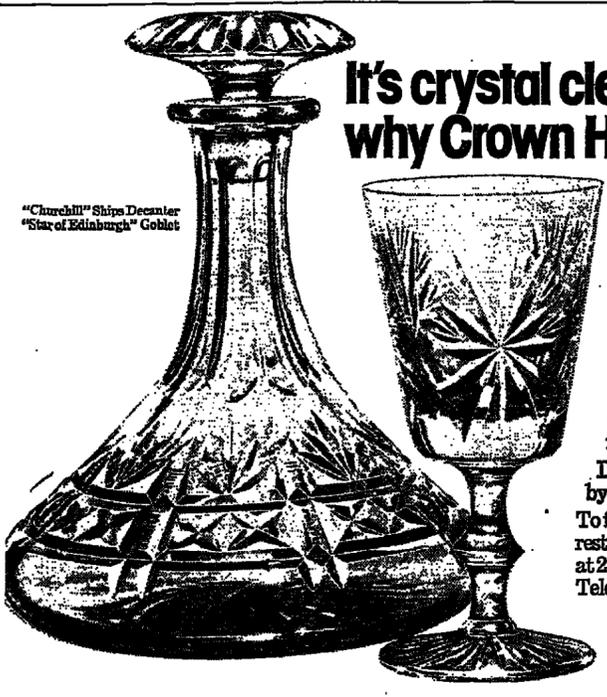
Financial Highlights	1978	1977
Profit before taxation	£531	£612*
Profit before extraordinary items	2,567	2,250
Per Ordinary share	39.0p	34.0p
Extraordinary items	(68)	652
Net profit	2,499	2,902
Per ordinary share	37.9p	44.4p
Ordinary shareholders' funds at book value	27,208	27,050
Per ordinary share	433p	430p
Shareholders' funds employed including investment appreciation	38,418	37,736

*Note: Profit before taxation in 1977 is after an exceptional loss of £1,804,000.

The most important event of the year was the change of control from Patino NV with 53%

The Annual General Meeting will be held at Winchester House, Old Broad Street, London, E.C.2, on Friday, 1 June, 1979, at 10.00 a.m.

Copies of the Report and Accounts may be obtained on request from The Secretary, Amalgamated Metal Corporation Limited, Adelaide House, London Bridge, London EC4R 9DT.



It's crystal clear why Crown House are Britain's leading quality glass suppliers.

Our name, Crown House, is one rarely associated with glassware. Yet our Group includes Britain's most wide-spread table glass suppliers, with factories and warehouses in four locations in the United Kingdom.

Far better known in the glass world is the name of our glassware division, Dema Glass, through the manufacturing of full lead crystal branded as "Thos. Webb" and "Edinburgh" and the world-wide distribution of over 100 million machine made glasses



Standard Chartered

BANK LIMITED



Comments by the Chairman, The Rt. Hon. Lord Barber

GROUP RESULTS

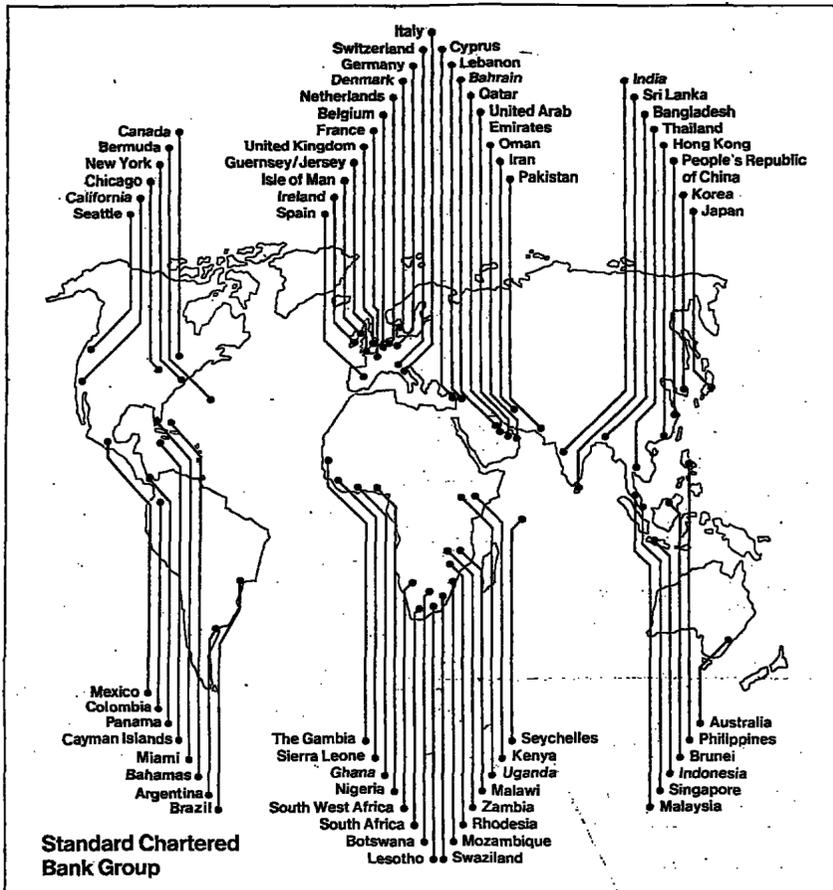
The trading profits of the Bank and its subsidiaries for the nine-month period ended 31 December 1978 were £110.7 million and the Bank's share of associated companies' profits amounted to £11.9 million, giving total profits before taxation and extraordinary items of £122.6 million. During the nine months, total Group assets increased from £8,497 million to £9,369 million and 38 offices were opened or acquired. With the acquisition of Union Bank on 17 April total Group assets increased to some £12,000 million.

The Accounting Reference Date of the parent company and a number of subsidiaries has been changed from 31 March to 31 December so that a direct comparison of the nine-month period under review with the preceding twelve months is not possible. However, the upward trend of trading profits was maintained against an international background beset by economic and political uncertainties as well as continuing inflationary pressures.

TEN YEARS' PROGRESS

Later this year our second major conference on strategy is to be held in London on the theme 'Standard Chartered in the 1980's' ten years after the formation of the company uniting the Standard and Chartered Banks.

The amalgamation of the banks has been effectively accomplished and we can now see the benefits. From our beginnings in the traditional areas of Asia and Africa our philosophy and strategy have been transformed into those of an international bank, the central thrust and strength of which is in commercial banking extended



UNION BANK, CALIFORNIA

I am glad to be able to report that the Board of Governors of the Federal Reserve have approved the acquisition of Union Bancorp in California. This important step brings into the Standard Chartered family the old-established Union Bank which, with deposits exceeding \$4 billion, ranks twenty-fifth among United States banks. Together with our existing Californian subsidiary, The Chartered Bank of London, Union Bank will provide the Group with a substantial dollar deposit base, strengthen our overall posture in the United States and reinforce the Group's lending capacity worldwide.

From the strategic aspect, the acquisition raises the proportion of the Group assets held in North America to about one-quarter of the total. With a broadly balanced distribution of assets between the other main operating areas—the United Kingdom and Europe, Asia and the Middle East, and Africa—it can be seen that the Group is well placed to absorb any fluctuations which may occur in the prosperity and stability of particular countries or areas.

STAFF

In previous years I have emphasised, as no mere formality, the thanks we owe to our staff throughout the world for the loyalty and hard work which have underpinned the progress of the Group. I again place on record the Board's warm appreciation of their services at home and abroad with a special tribute to those expatriate staff and their wives who have shown true leadership in sometimes near-impossible situations of civil strife.

across a much wider spread of countries.

While, therefore, the Group's commercial banking operations in parts of our traditional areas have been growing in importance we have also been increasing our presence in the developed countries, notably in Britain, Western Europe, North America and Australia.

In the People's Republic of China, as one of only two foreign banks with an operating branch, we are well situated to participate in trade

and industrial developments there.

Outside commercial banking, the financial and other services provided by the Group have been greatly expanded by a process of internal development and acquisition. They range from merchant banking, instalment credit and computer leasing to bullion dealing and investment management.

Since 1971 Group assets have averaged an annual growth of 18 per cent and net profit attributable to shareholders has more than trebled.

Total Assets £12,000million
Total Deposits £11,000million
1,500 offices in 60 countries
around the world.

Copies of the Report and Accounts and of the Chairman's Statement may be obtained from the Secretary, 10 Clements Lane, London EC4N 7AB

Standard Chartered helps you throughout the world

UK COMPANY NEWS

Mallinson-Denny moves ahead to record £10m

FOLLOWING the £0.11m rise to £4.78m for the first half, pre-tax profits of Mallinson-Denny moved further ahead in the second six months of 1978 to finish at a record £10.04m, compared with £9.08m. External sales of the international timber merchant, manufacturer of wood-based products and general merchant, increased from £190.06m to £207.94m.

A geographical analysis of sales and trading profits—up from £12.3m to £13.22m—shows (in £000's):—UK £143.100 (£127.151) and £10.490 (£8.956); other EEC countries £11.508 (£11.284) and £216 loss (£420 profit); Australia £12.925 (£12.174) and £170 (£237); Far East £34.053 (£34.383) and £2.165 (£2.269); and U.S. £6.350 (£5.072) and £615 (£302).

Tax for the year is lower at £2.39m (£5.26m) and stated earnings per 35p share are more than doubled from 7.59p to 15.26p. A net final dividend of 1.885p lifts the total payment to 3.118p compared with 2.7923p previously.

At the year-end, fixed assets were up from £14.1m to £20.5m and net current assets rose from £38.5m to £43.4m.

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comment

Losses of around £600,000 in France restrained Mallinson-Denny's profits growth and came as a slight surprise to the market. The company expects to reduce the shortfall significantly this year following extensive re-organisation and sweeping management changes. On the positive side, the U.S. more than doubled trading profits, and expansion from the East Coast base is likely this year. The company was operating on slender margins for most of last year, exacerbated by price-cutting from smaller companies, but rising timber prices are now helping the trading position. The tax bill was more than halved in 1978, as a result of stock relief and capital expenditure, while revaluation of assets has added over £5m to

reserves—all of which brightens up the balance sheet. Gearing is now down to 68 per cent from 74 per cent in 1977. Trading conditions look better this year, though the company will clearly be hoping the UK upswing in renovation and improvement work will offset sluggishness in private housing starts and public sector contracts. The share price finished at 58p, giving a stated p/e of 3.8 and yield of 8 per cent.

Westward TV expects record year

DESPITE A loss of advertising revenue during the lorry drivers' strike, Westward Television, the independent television programme contractor for South-West England, reports pre-tax profits up from £384,000 to £427,000 for the half-year ended January 31, 1979, and forecasts a record result for the full year.

Advertising revenue increased by £847,000 to £4,522m. Mr. Peter Cadbury, chairman, says that sales would have been higher had it not been for industrial disputes causing a reduction in advertising on products that could not be delivered.

However, he feels that most of the lost revenue during the period should be recovered in the second half and that sales for the full year should exceed the figure of £8.5m forecast last November.

The profit was struck after depreciation of £189,400 (£108,000) and a heavier Exchequer levy of £732,000 (£545,000) but before tax of £2,207,000 (£200,000).

The interim dividend is raised from 0.6p to 0.65p—the total for 1977-78 was 1.84p paid from profits before tax of £616,000.

Bunzl Paper better than expected with £12.8m

A LITTLE better than forecast last October, profits of Bunzl Paper and Paper Improved from £12.25m to £12.79m in 1978. When reporting a midway fall from £8m to £6.7m the directors were looking for a result in line with 1977's.

The directors explain that the better result has been achieved despite a difficult year for the UK filter manufacturing activities. The profit would have been higher by more than £400,000 had exchange rates remained unaltered from the previous year.

The directors say that in pursuing the group's policy of expansion into areas of greater opportunity it has extended interests in the self adhesive, electronics and instrumentation fields, both by internal development and acquisition.

They report that the results for the first quarter of 1979 are encouraging but it is too early to come to any conclusions as to the year's result.

After tax and minority earnings per share come out little changed at 51.5p (51.4p). The directors point out that the charge for tax is 49 per cent of profits against 47 per cent in 1977. This is mainly due to the mix of profits overseas and tax thereon and overseas losses not receiving tax relief. The charge includes full provision for deferred tax as before.

Turnover	1978	1977
Trading profit	206,250	202,883
Share of assoc.	10,112	10,248
Net interest	3,802	3,031
Net investment	1,011	1,528
Profit before tax	12,783	12,253
UK tax	3,058	3,033
Overseas tax	1,680	1,445
Assoc. tax	1,484	1,282
Net profit	6,561	6,483
Minorities	915	987
Earnings	5,646	5,496
Extraord. debit	90	1,223
After depreciation and amortisation	55,756	(5,175)
Interest payable	(2,856)	(2,622)
Worldwide severance indemnities	(116,000)	(287,000)
Currency translation profits on net overseas assets	(290,000)	(1,335)
Net gains on changes in group interests	(25,000)	(194,000)
Reorganisation costs	(215,000)	(nil)
Goodwill	(226,000)	(226,000)
Preparation loss	(332,000)	(nil)

The dividend total is increased from 4.905p to 5.48p, with a final of 2.26p.

Goodwill of £1.87m arising on the acquisition for cash of Coated Specialties and Fidus Controls has been charged to reserves.

Shareholders' funds at December 31 totalled £58.63m (£46.35m) — equal to 153.7p (177.0p), per share.

comment

Bunzl's troubled Austrian operations started to come right in 1978. At the beginning of the year prospects were bleak but after a management shuffle and an improvement in world paper demand it moved from losses into profits giving an overall breakeven result for the year. But merchanting profits (roughly 20 per cent of 1977's figure) were cut in half in 1978, largely because of provisions against losses, particularly in Iran and Nigeria. Tax changes which pushed smokers towards King size cigarettes changed the UK filter market. King Size have less complicated filters which, from Bunzl's point of view, have smaller profit margins. The shares have been moving upwards in anticipation of a better result and at 106 have a p/e of 4.8 and a yield of 7.9 per cent. The sale of the Austrian operation or an improvement in dividend is necessary for the shares to look attractive at current prices.

An additional shop property at Kew had been bought and 10 shops sold.

The group will continue making the maximum use of properties and other resources to achieve the best profitability possible.

Heal cuts its loss to £0.49m

IN THE year ended January 31, 1979, Heal and Sons Holdings cut its loss from £940,000 to £490,000, before taking in a tax credit of £82,000, compared with £120,000. All three shops traded profitably.

At the end of January, Heal Furniture's factory was closed, the company having lost £80,000 during the year before group charges.

Contracts have just been exchanged for the sale of 75 per cent of the shares of George Coulter, which incurred a loss of £211,000 before group charges.

No dividend yet at Southern Constructions

AFTER RETURNING to a small profit at midway Southern Constructions (Holdings) finished the year with a taxable loss of £293,000, compared with a £1.45m loss last time. Turnover was down from £13.71m to £12.2m.

The board does not yet feel a return to dividends is justified. There were no payments in 1977 after total net dividends of 0.885p the previous year.

The directors add that 1978 was devoted to rationalisation and the improved results reflect the steps taken to strengthen management, reduce overheads and eliminate unnecessary activities. The current year should show a more realistic benefit from these savings.

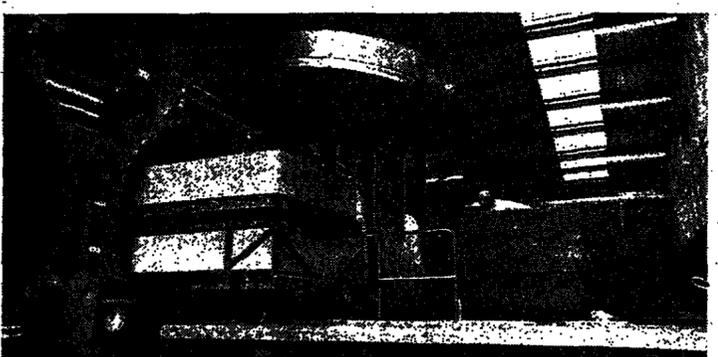
At halfway when the group had staged a turnaround from a £650,000 loss to £33,000 taxable profits, the board said the gradual recovery should continue against a background of an improvement in trading conditions.

There is a tax credit for the year of £9,000, against £765,000, and an extraordinary credit this time of £118,000.

Satisfactory start for Gough Bros.

Since the end of the financial year (last September) trading had been satisfactory and further reductions had been made in charges and administrative and distribution expenses, said Mr. R. C. Gough, chairman of Gough Brothers, the wine merchants, at the annual meeting.

Further constructive moves from Turner & Newall



£4 million investment in lightweight concrete building blocks



£3 million construction materials plant modernisation includes development of glass-reinforced board

£8 million investment in specialised glass fibre insulation materials

Last year we put £4m into new plant producing high quality construction materials — lightweight concrete building blocks.

We have started a £3m modernisation of three of our UK asbestos-cement plants, and are doubling capacity in our two Nigerian plants.

Our £8m development for the manufacture of 'Envoy' glass fibre — a new range of special insulation products for the building industry — is on stream this year.

T&N has been a major force in construction and insulation materials for decades.

Now we're making sure that the future — with its urgent requirement for energy conservation in industry and the home — will be equally productive for us.

Construction materials is just one of the businesses in which T&N is making its mark internationally.

We are actively investing and growing in automotive components, plastics, specialty chemicals and man-made fibres, in addition to mining asbestos.

T&N has evolved at such a rate recently that your view of us may be rather out of date.

Why not correct that now, by writing for our corporate brochure?



Providing what the future needs

To: Public Relations Dept., Turner & Newall Ltd., 20 St. Mary's Parsonage, Manchester M3 2NL.

Please send me a copy of your corporate brochure and/or Report & Accounts

Name _____

Address _____

C105



R. CARTWRIGHT (HOLDINGS) LIMITED

Highly Satisfactory Performance

	Year ended 31.12.78	Year ended 31.12.77	
Turnover	£5,976,810	£4,527,420	+32%
Profit before Tax	£441,285	£659,383	-33%
Earnings per Share	£446.13p	£321.67p	+39%
Final Dividend	11.01p	8.68p	
	2.5664p	2.5p	

Mr. J. C. Northam, Chairman, reports:

- ★ Highly satisfactory results have been obtained in spite of continued decline in building activity in the U.K., and although the increase in the hardware based Companies has not been so spectacular as the steel partitioning and plastic engineering operations, steady growth has nevertheless been maintained in most cases.
- ★ Additional premises together with the complementary plant and equipment will bring the Group capital expenditure programme for 1979 to over £1.5m.
- ★ It is hoped that the building of a much larger factory at Redditch will be completed at the end of this year.
- ★ A further freehold site has been purchased near our main factory and building has already commenced on new premises for Cartwright Lock & Pressings.
- ★ We have reached agreement with Smith Wallis & Company on a recommended offer for the whole of their issued Share Capital. I am sure the association will be beneficial to all.
- ★ Prospects for 1979 look quite promising although the year started with some disruption due to local and national industrial problems.

Manufacturers of Door and Window Furniture, Locks, Aluminium and Zinc Alloy Diecastings, Steel Partitioning and Trade Injection Mouldings.

Feedex Agricultural Industries

Preliminary Results for 1978

● Record profits — over £1 million for the first time

● Proposed final dividend of 0.885p per share — maximum permitted

● 1-for-4 Scrip Issue proposed

	1978	1977	
Turnover	£22,194	£20,653	7%
Pre-tax profit	1,041	821	27%
Attributable profit	576	494	17%
Earnings per share	5.55p	4.88p	14%

ANIMAL FEEDS

LIVESTOCK PRODUCTION

AGRICULTURAL EQUIPMENT MANUFACTURERS



Feedex Agricultural Industries Limited

DAISY HILL, BURSTWICK, HULL HU12 9HE

Property-now.

The 1979 top performing trust — Schlesingers Property Shares — still offers excellent value given a rising market fuelled by falling interest rates. For the latest PIMS report write to: R. K. Timberlake, Southside, 105 Victoria Street, London SW1E 6QS.



Schlesingers

London and Northern Group Limited

RECORD RESULTS

The preliminary figures for the year ended 31st December 1978 show:

- ★ Pre-tax profits up by £5.4 million to £11.8 million (84%)
- ★ Attributable profits up by £2.2 million to £5.2 million (73%)
- ★ Earnings per share up from 5.2p to 9.0p
- ★ Dividends up from 2.0p to 3.35p per share
- ★ Net borrowings down by £6 million to £15 million

	£000	1978	1977
Turnover		173,800	163,900
Pre-tax profit		11,767	6,371
Taxation	5,923		2,647
Minority interests	689	6,612	700
Attributable profit		5,155	3,024
Extraordinary items	295		790
Dividends	1,977	2,272	1,206
Retained profit		2,883	1,028

The directors have recommended a final dividend of 2.1p per share payable on 9th July to shareholders on the register on 11th June 1979 making a total for the year of 3.35p (1977 2.0p).

The results reflect increased profitability in the United Kingdom and overseas. Management figures for the first months of 1979 show an improvement on the corresponding period in 1978.

The annual general meeting will be held on 28th June 1979. Copies of the annual report will be available from the Secretary, Essex Hall, Essex Street, London WC2R 3JD.

Deritend hit by low demand

Sales of Deritend Stamping Company were hit by depressed demand for forging products and the manufacturing division's poor performance.

The taxable surplus slipped from £1.75m to £1.36m in the year to February 28, 1979 on sales of £30.9m, compared with £27.2m. At midway the group turned in pre-tax profits down from £330,000 to £263,000. The directors then said that helped by the spread of their products they expected the company's performance as a whole to continue satisfactorily.

They now report that last year the electrical and investment casting sides were highly satisfactory, and the general outlook for the group is encouraging.

In 1977-78 41 per cent of trading profits, £761,000, came from the forging division. In his annual statement for that year Mr. C. W. Perry, chairman, said he expected this side to remain depressed during the year.

Tax for 1977-78 takes £22,055, against £497,445, leaving net profits up from £1.25m to £1.36m. Stated earnings per 50p share are down slightly from 38.7p to 38.1p.

The dividends absorb £387,416 (£350,600) after which the retained surplus comes out at

BOARD MEETINGS

TODAY	
Instrans - Lloyds and Scottish National Bank of Australia, Tansvale Consolidated Land and Exploration, Werner Estate, Wood Hall Trust.	
Finlays - Atlas Electric and General Trust, Barclay Hambro, Cariera Superfoods, Devonport Brewery, Holt Lloyd International, King and Shenson, Marchalls Universal Mills, Leisure Shops, Newman Industries, Pleadacity Theatre, Sandhurst Marketing, Secombes Marshall and Crompton Solicitors, H. C. Slaghty, Francis Sumner, Usher-Walker.	
FUTURE DATES	
Instrans	
Associated Engineering	May 24
Central Manufacturing	May 16
North Midlands Construction	May 11
Ambrase Investment Trust	May 15
Berlows	May 16
Beattie (James)	May 11
Bishopsgate Trust	May 14
Dolan-Faraway	May 17
Folliott (John)	May 17
Gieves	May 15
Leisure Investment Trust	May 15
Mid Brothas	May 15
Insta-City Investment	May 15
Stonahill (Edward)	May 16
UDS	May 14
Warrington (Thomas)	May 16

£353,061, against £300,079. The final dividend of 7.75p net lifts the total from 3.97p to 11.02p.

M & G Reinsurance

New life sums reassured in 1978 by Mercantile and General Reinsurance Company, a member of the Prudential Corporation were a record for new business.

New life sums reassured written by M and G amounted to more than £2.5bn, which produced new annual premium income of £18.25m, an increase of 23 per cent over the 1977 figure of £10.8m.

Mr. D. M. C. Donald, explains in his chairman's statement that in the UK the relaxation of Government pay policies led to a further improvement in the life assurance industry, with buoyant sales of personal and group pension business, which helped the group's production figures.

Total premium income of the parent company's life and annuity business increased from £48.91m to £50.5m, and, after the sharp rise in new business, a transfer of £2.5m was made to the

profit and loss account. This compares with £1.25m previously.

In the fire account premium income increased by £3.52m or 18 per cent due to new business from several countries combined with the effects of inflation and the depreciation of sterling against most other currencies.

Although the combined underwriting result deteriorated, a transfer from profit and loss account to £1m, 1.2 per cent of premium, this was an improvement on the previous year when the transfer was £2.37m, 3.7 per cent of premium.

Interest, dividends and rents increased substantially from £9.71m in 1977 to £12.68m. The group profit for the year after tax amounted to £14.07m. After providing for transfers to reserves amounting to £9.88m and an increased dividend of £1.5m, the balance of £3.69m has been carried forward, compared with £4.26m last year.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume, retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (2000s). All seasonally adjusted.

	Ind. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unemp.	Vacs.
1978							
1st qtr.	107.0	102.0	99	106.4	246.2	1409	186
2nd qtr.	110.8	104.5	95	107.9	254.4	1307	213
3rd qtr.	111.5	105.1	103	110.7	260.6	1280	213
4th qtr.	109.7	102.5	115	111.7	272.0	1340	230
Nov.	109.5	102.5	110	110.5	269.7	1339	231
Dec.	111.3	93.4	112	113.8	279.8	1321	231
1979							
Jan.	103.5	103.5	93	109.6	273.1	1339	236
Feb.	110.4	110.5		110.4	275.4	1363	231
March				110.8	279.5	1350	236
April						1311	250

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (2000s, monthly average).

	Consumer goods	Invest. goods	Intmd. goods	Eng. output	Metal mfg.	Textile	Housg. etc.
1978							
1st qtr.	105.2	98.3	116.3	99.9	96.6	98.0	17.8
2nd qtr.	108.0	98.1	123.4	99.7	107.4	101.2	27.1
3rd qtr.	108.0	99.7	123.3	100.5	101.2	103.8	23.0
4th qtr.	105.3	96.7	123.4	96.4	97.5	101.7	20.2
Nov.	105.9	96.0	121.0	96.0	97.5	100.0	24.5
Dec.	106.0	95.8	126.0	95.9	93.9	104.0	20.7
1979							
Jan.	100.0	91.0	117.0	91.0	77.0	95.0	10.1
Feb.	104.0	101.0	120.0	101.0	101.0	100.0	12.6

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance, current balance, oil balance (fm); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US\$bn
1978							
1st qtr.	119.6	112.8	-590	-361	-620	105.4	20.82
2nd qtr.	122.2	118.0	-173	+135	-414	104.5	16.75
3rd qtr.	124.9	114.4	-365	-49	-501	105.7	16.55
4th qtr.	125.1	112.8	-1	+359	-490	106.7	15.77
Nov.	122.5	114.1	-108	+12	-182	107.3	15.57
Dec.	126.7	113.0	+67	+187	-183	106.5	15.69
1979							
Jan.	113.1	107.3	-119	+1	-69	107.7	16.26
Feb.							16.62
March							17.45
April							121.47

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three month) growth at annual rate; domestic credit expansion (fm); building societies' net inflow; H.P. new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank adv. %	DCE %	BS inflow	HP lending	MLR %
1978							
1st qtr.	24.3	23.8	17.5	+1.811	1,049	1,373	64
2nd qtr.	25.5	25.7	24.5	+2,852	694	1,506	10
3rd qtr.	16.8	5.5	8.6	+517	746	1,541	10
4th qtr.	9.7	9.7	8.3	+1,522	878	1,876	12
Nov.	12.1	10.6	9.9	+143	261	361	12
Dec.	9.7	9.7	8.8	+826	254	507	12
1979							
1st qtr.	14.7	12.0	32.5	+1,702	777	1,586	13
2nd qtr.	13.2	16.5	21.3	207.2	289	525	12
3rd qtr.	21.5	20.3	24.1	+1,069	231	531	14
4th qtr.	14.7	12.0	32.5	-262	257	530	13
April							12

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

	Earnings	Basic matls.	Wholesale mfg.	RPI*	Foodst*	Comdy.	Strig.
1978							
1st qtr.	123.1	140.2	149.2	190.8	197.3	238.61	64.6
2nd qtr.	129.9	145.2	151.8	195.3	203.5	242.27	61.5
3rd qtr.	132.2	144.9	157.3	199.2	206.3	253.74	62.4
4th qtr.	136.4	147.1	157.3	202.6	208.0	257.69	62.7
Nov.	135.1	147.1	157.1	202.5	207.9	263.63	62.5
Dec.	138.0	145.2	158.3	204.2	210.5	257.69	63.2
1979							
1st qtr.	152.2	161.5	208.9	218.8	268.83	64.4	
2nd qtr.	155.7	150.8	180.0	207.2	217.5	260.63	63.5
3rd qtr.	141.0	152.0	161.7	208.9	218.7	257.26	63.7
4th qtr.		153.8	163.1	210.6	220.2	262.83	66.1
April		165.3				277.11	67.1

* Not seasonally adjusted. † Reserves: now retained annually, new estimates.

Vosper buying large stake in hovercraft

BY TIM DICKSON

VOSPER, FORMERLY Vosper-Thorneycroft, is making its first major acquisition since its shipbuilding assets were nationalised almost two years ago.

The company announced yesterday that it had agreed to acquire a 75 per cent stake in Hovermarine, a Southampton based manufacturer of sidewall hovercraft owned by Hovermarine Corporation of the U.S.

Consideration for the deal will depend partly on Hovermarine's profits in 1979 and 1980 but the agreement provides for a minimum initial consideration of £1.6m. This could be increased to between £3m and £4m if the new acquisition matches up to expectations.

Vosper has already received £1.55m in Government compensation for its shipbuilding interests and is negotiating for considerably more. It has been planning for some time to rebuild with the help of its substantial cash balances, roughly £7m in the last accounts. A number of other companies have been examined for possible acquisition.

Up to now Vosper's only major investment has been Vosper Private in Singapore, a company which makes patrol boats and is involved in the shiprepair

industry. In a joint statement yesterday Sir John Rix, Vosper's chairman and Mr. William A. Zebede, chairman of Hovermarine, said the strengths of the two companies were complementary.

"The time is ripe for the entry of Hovermarine's products in the rapidly expanding market for high performance patrol boats and Vosper's experience and knowledge in this market will be of immense value."

Hovermarine's manufacturing capability is well suited to the construction of conventional patrol boats and thus customers will be offered a comprehensive product line.

Hovermarine claims its 140,000 square feet of floor space is among the largest and most up to date fibreglass marine construction facilities in Europe.

FOLKES HEFO

John Folkes Hefo, the Midlands engineering group, has acquired 89.94 per cent of the capital of Allan Blunn in a deal worth £185,340.

The price was based on the net asset value of £215,577 at the date of acquisition. The assets include cash of £190,252 and a freehold warehouse adjacent to the wharves at Rotherhithe. Allan Blunn trades as roofing

BIDS AND DEALS

LCP expands U.S. interests

LCP Holdings, the property, construction and motor distribution group, has agreed in principle to purchase between 20 and 25 per cent of the capital of the Whitlock Corporation, a retail automotive chain in the U.S.

The move, says LCP, will provide an important extension to its existing activities and is expected to cost between U.S.\$3.2m (£1.5m) and U.S.\$4.3m (£2.1m).

Whitlock concentrates primarily on auto repair parts, supplies and accessories for the D-I-Y customer which are marketed through 47 automotive stores in five Midwestern states, Upstate New York and Massachusetts.

The agreement also provides for further acquisitions by LCP of Whitlock shares in the years 1980 to 1982 with LCP eventually holding at least 87 per cent of Whitlock's capital. However, consideration for these acquisitions will depend on Whitlock's future profit performance.

Whitlock currently has in issue 2m \$1 shares, of which 55 per cent is held by two shareholders, Mr. H. B. Pearl and Mr. William J. Fox. The remaining 45 per cent is distributed among some 500 shareholders from which LCP hopes to acquire the bulk of its initial purchase.

Both Mr. Pearl and Mr. Fox will remain as chairman and chief executive officer and president and chief operating officer of Whitlock respectively. They will be joined by two LCP directors yet to be nominated, expanding the present board to seven.

Whitlock reported pre-tax profits of \$1.9m (£920,000) and sales of \$29.1m (£14.1m) in the year to March 31, 1978. The company's net assets amounted to \$6.2m (£3m) on March 31.

Last month, LCP entered into an agreement to buy 70 per cent of the equity of French based Chevilles Bol for cash of FF 4.5m (£590,000). The company is engaged largely in the manufacture and distribution of drills and fasteners, specialising in products for the professional and D-I-Y trade.

At the same time, however, it disposed of the assets of the Chorley dealership from Evans Halsam Holdings, following the earlier acquisition of the Portland Motor Group in a £1.7m deal.

ROCKWELL OFFER UNCONDITIONAL

Rockwell International of the U.S. has finally won control of Wilmot Breeden, the UK motor components manufacturer.

Rockwell announced last night that its 115p per share cash offer, which was initially rejected but subsequently reluctantly recommended by the Wilmot Breeden board, had been accepted in respect of 2.44m shares. Together with the 8.5m shares acquired by Rockwell during the offer period this represents 51.74 per cent of Wilmot Breeden's shares.

The offer has now become unconditional and has been extended until May 25.

R. CARTWRIGHT

R. Cartwright Holdings offer for Smith Walls has been declared unconditional as to acceptances and will remain open.

Acceptances have been received in respect of 945,651

PROVL. LAUNDRIES

Only a week after announcing a one-for-two rights issue, Provincial Laundries has bought Headley Laundry. The consideration is about £37,000 in cash and shares.

Guardian Royal Exchange Assurance

"An excellent year...
...the best reported by the Group"

From the statement by J. E. H. Collins, MBE DSC, Chairman

Results and Dividends

It will be seen that we have had an excellent year. The result which is the best reported by the Group has been achieved despite adverse exchange movements in many territories which, on balance, have depressed both premium growth and profits.

The effect of exchange is to reduce premiums by approximately £5.0m and pre-tax profits by almost £4.0m. We also felt the effects of losing from the 1978 consolidation our profitable Nigerian business which in 1977 contributed short-term premium of £1.5m resulting in £3.8m of short-term underwriting profit to Profit & Loss account and, after taxation and minority interests, over £1m in consolidated profits.

Investment income has developed well and the short-term underwriting accounts show a very satisfactory turn-round. Two special features, however, affect the amount of the long-term profits. On the recommendation of the Actuary, the board declared a special bonus at 31st December 1978 on certain Guardian policies thereby vesting a part of the terminal bonuses previously allowed and, in consequence, the long-term profits include a non-recurring item of £1.9m. On the other hand, following disposal of the majority interest in our South African life operations there is no contribution from this source against £1.2m in 1977. However we now have short-term revenue transfers of £1.3m from that country.

SUMMARY OF RESULTS

	1978	1977
	£ millions	
Premiums written - Fire, Accident, Motor and Marine	619.7	591.5
Investment Income	77.1	65.3
Less Interest Payable	6.7	6.4
	70.4	58.9
Transfer to Profit and Loss Account Fire, Accident, Motor and Marine	4.8	(6.6)
Life	8.1	5.5
Profit before Taxation	83.3	58.8
Less Taxation	40.9	28.4
Profit for year after Taxation	42.4	30.4
Less Preference and Minority Interests	1.1	1.9
Profit for year after Taxation available to Ordinary Shareholders	£41.3m	£28.5m
Dividends to Ordinary Shareholders	£14.6m	£12.9m
Profit retained within the Company	£26.7m	£15.6m

The Directors were able to recommend the payment of a final dividend which, with the interim payment made in January 1979, will constitute an increase of 13.1% compared with the dividend paid in respect of the year 1977 (including the supplementary payment in January 1979).

United Kingdom

Premium income has developed satisfactorily helped by increases in rates particularly in the accident and motor departments. Despite difficulties arising from the considerable number of claims in the 1st quarter, due to adverse weather, and the residual costs of the firemen's strikes in the first two weeks in January, a most welcome recovery was made. The fire account produced a worthwhile profit, and it is very pleasing to report that the accident department recovered well from the substantial loss to which it referred in 1977 and was able to show a modest profit. The motor department was affected by a further increase in claims frequency and, despite increases in rates in April 1978, made a marginal loss. In consequence, and to keep pace with inflation, further rate increases are being implemented in April 1979.

In marine and aviation, competition continues to be severe. A seemingly endless flow of companies and syndicates elect to commence operations in a market which is already too large for the volume of business available. In spite of this unfavourable climate we achieved a break-even position.

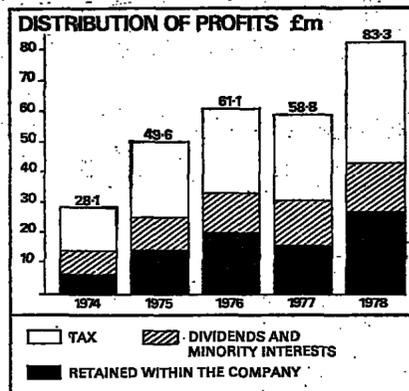
Other Territories

In Germany the beneficial effects of the McKinsey investigation will not be felt until 1979 and 1980. Even then it is unlikely that general market conditions, despite some rate increases in motor, will permit a return to underwriting profit in these years.

In Canada we did not incur a liability in 1978 to the Anti-Inflation Board and the good result achieved is therefore available to permit an increase in the dividend from Guardian Insurance Company of Canada.

Very competitive conditions have been experienced in Australia and these have resulted in a reduction in our underwriting profit. However, the contribution to profit of the marine department was substantial and was particularly welcome, as were the results of our operations in Papua - New Guinea. From a very small base the United States have been one of our fastest growing areas and this growth will be accelerated by the acquisition of Fiduciaries Inc., in 1979.

Results have been particularly good in Brazil, Hong Kong, New Zealand, South Africa and in many of our agencies overseas.



UK COMPANY NEWS

FINANCE FOR CLOTHING ENTREPRENEURS

A scheme to point hesitant bank managers in the right direction

BY RHYS DAVID

THE CAUTION which the British banks show when confronted with requests for additional finance from their small company clients has been highlighted again in the interim report of the Wilson committee on financial institutions. But it is simply a matter of excessive financial prudence or could it be that the banks, in the person of the local branch manager or his superiors at regional level, sometimes do not know the right questions to ask about the problems and prospects facing a particular industrial sector? Such is the view at any rate of a firm of consultants which specialises in clothing—the industry which perhaps more than any other is likely to induce an attack of nervous caution in the average British clearing bank manager.

Whereas some risk is involved in all businesses, the economic and social vagaries which small clothing manufacturers have to contend with are daunting. The seasonal nature of the product means that the design, sales and production cycle begins anew every six months and with it the danger of a big drop in value of unsold goods. There is the fickleness of consumer preference for styles, fibre types, fabric constructions, colours and designs to be taken into account, not to mention the ever-present threat of imports. Furthermore, creative flair is often more important in the success or otherwise of a company than capital assets. Yet how does the average bank manager begin to assess all this sitting behind his desk in the High Street?

Very often he will simply decide to play safe rather than back an enthusiastically presented case which could result in the applicant moving into a new product or segment of the market—building up his own trade and creating new business for the bank. Yet as a report, entitled the Structure and Financial Resources of the Clothing Industry, drawn up for the Bank of England last year by Mr. Pat Koppel, a former deputy chairman of Courtaulds, pointed out, the banks ought to be lending not just to well-established companies within the clothing industry but to others able to show that they are able to spot new opportunities. Only in this way could the industry make the moves which are needed into higher added-value products incorporating a greater degree of fashion and design and less susceptible to imports pressure, said Mr. Koppel.

The solution to the problem suggested by Kurt Salmon Associates (KSA), a U.S. consulting group with branches throughout the world, is a specially designed checklist, developed originally for German needs but now being made available to banks in the U.K. The list consists of 20 questions which a bank manager who lacks any previous knowledge of the clothing industry can pose to companies requesting additional credit.

They are set out in a grid, with panels alongside each question giving further guidance on the circumstances in which it is applicable, and whether it applies to textiles, apparel or distribution, or any combination of these. KSA's own explanatory comments are in another panel and the last is left blank so that the bank itself can write in any remarks.

The first question on the list deals for example with risks from competition and asks whether the applicant for additional finance has made a detailed assessment of the future effects of overseas and domestic competition. KSA's comment alongside draws attention to the increasingly international character of trade in fashion goods. Other questions seek information on alternative measures considered by the applicant about possible savings from improving existing production and sales performance, about whether any study has been made of the way the market is likely to evolve over the medium- and long-term, about collateral security, return on assets and management performance.

The questions in themselves sound anything but complex and many banks will claim that they already cover these points. According to KSA, however, even where this does already happen the chart will still help by setting out the sort of questions that need to be asked in a systematic manner. The framework it provides for examining a case will also discourage a bank manager from looking no further than the balance sheet in making his judgment. "The bank attitude all too often is 'if in doubt do nothing.' If the balance sheet is not right the applicant for funds is likely to be told to come back when it is," says Mr. Harry Lack, managing director of KSA (UK).

The banks deny claims that viable schemes are unlikely to be rejected. The KSA scheme, however, aims to recover for the economy some of those that at first sight may appear too much of a risk. Surprising as it may seem KSA also believes that companies seeking funds will themselves often not have asked the questions on the checklist. It may be useful therefore in helping companies to think through their own development plans and to improve the formulation of the case they put before their bank managers.

The questionnaire was devised by KSA originally at the request of German banks which found themselves lending more and more to their clothing and retailing clients as many of these businesses ran into problems in the wake of the recent recession. The German banks, which have traditionally had much closer involvement with local industry than their British counterparts, were being drawn even further into the management of these clothing businesses as their lines of credit lengthened or their shareholdings increased, but they lacked sufficient knowledge on which to base their assessment of what should be done next.

"We decided the system could be applied just as easily to the UK even though the problem here has not arisen in exactly the same way," said Mr. Lack. In Britain, he points out, the small clothing manufacturer is likely to turn up at the bank asking for extra finance perhaps because he has made a success of making-up garments for bigger groups and wants to start making his own products.

Such a manufacturer is likely to be borrowed up to his local bank's lending limit, and the company's balance sheet may not be strong enough to pass the scrutiny of officials at a higher level within the bank. At the same time its borrowing requirements may be too small for other financial institutions which want to place medium term loans of perhaps £100,000, and his business may not be attractive enough to organisations which provide term loans and are generally interested in equity stakes. Potential lenders may be wary for another reason—the labour rather than capital intensive nature of the industry. While the banks are usually ready to lend money for the purchase of tangible assets such as machinery they take a different view when the money is needed to meet higher raw material costs as a result of a move into up-market products, or to finance a move into export markets.

KSA believes its checklist will give banks some of the help they need in assessing requests from the clothing industry, whether or not one of the main recommendations in the interim report of the Wilson committee—the setting up of a State backed guarantee scheme for bank loans to small companies—is implemented. The banks are treating this idea coolly, but have in any case begun to examine a number of ways in which they can independently step up their lending to small businesses.

KSA itself clearly hopes to benefit from the use of its system, though the checklists are being made available on request to the banks and other interested parties without charge. The spin-off for the organisation will come from requests from the banks or clothing companies themselves for more detailed independent examinations of expansion or other plans.

The checklist so far has attracted interest among manufacturers, many of which are finding that it helps them to analyse their own thinking. The job of selling it to the banks, however, is now about to start and KSA is hoping to announce soon the appointment of a consultant who will take the system to the banks and explain how it can help them. The firm hopes eventually to be able to organise courses for the banks at which it can lend its experience towards the training of bank officials in dealing with credit applications from the clothing sector. The system could be extended too, KSA believes, to other sectors, where, as in clothing, there are distinctive problems and requirements.

Investing for the eighties

In his Statement to shareholders, accompanying the Accounts for the year ended 31st January 1979 Michael Pickard, Chairman, reports that sales in the second half-year increased by 21.4%—a figure in excess of mail order growth in general. Sales for the full year reached a record £189 million with pre-tax profits of £10.6 million. Earnings per share increased 10% to 15.68p.



He confirms the Company's commitment to increasing sales and market share and explains the necessity for continued investment in order to achieve this. Plans for current and future investment include:

CATALOGUE AND MERCHANDISE The catalogue has been expanded to 850 pages of attractive and competitively priced merchandise with a bigger choice of over 22,000 lines.

DISTRIBUTION Acquisition of 300,000 sq. ft. of additional warehousing for bulk storage facilities. Substantial investment into the new warehouse is planned during the next two years.

AGENT RECRUITMENT Significant increases in advertising and recruitment programmes, bringing our total agents to over 600,000.

COMPUTERS Expansion of computer capacity to support and improve selling and distribution systems.

Mr. Pickard concluded by thanking management and staff for their hard work and helpful response and says that initial demand from the Spring/Summer catalogue has maintained the improvement seen in Autumn 1978. However, it is still very early in the season to project the likely sales and profit outcome. The Board's recommendation of an increased Dividend is an indication of confidence in the future progress of Grattan.



The Annual General Meeting will be held in Bradford on 24th May 1979. If you would like a copy of the Report and Accounts, please write to the Secretary, Grattan Warehouses Limited, Anchor House, Ingledy Road, Bradford, West Yorkshire, BD99 2XG

A FINANCIAL TIMES SURVEY
WORLD BANKING

The Financial Times proposes to publish a major Survey on World Banking. It will be published in two parts on May 21 and May 29. The editorial synopsis is set out below:

PART 1 — 21 MAY 1979

The Economic Background The search for a more even distribution of economic growth and current account balances. The factors behind the recent high level of world liquidity, the key to the current banking environment. The IMF and its micro-economic impact now that increased resources have been approved. Its function as inspector of world economies. The sharp rise in the price of gold mirroring the problems of the dollar. European Monetary System—the conception, start, and prospects of this new regional monetary system. Forms of Finance offered by Banks These articles are to describe the basic characteristics of the "product" offered by banks to their customers. Medium-term loans—the mounting advantages to borrowers. Project Finance—how banks join forces to fund large-scale projects. Export Finance—the growth of this business tied to the growth of trade. The issue of securities for bank customers, the wide choice of currency maturity and coupon facing the borrower.

The Eurocurrency Market The nature, function and growth of the market. Profitability in Eurocurrency lending—an analysis of the risks and rewards currently facing banks. The Eurobond Market—development of this market and its profit potential for banks. The Foreign Exchange Market—the structure, the relationship of market-making banks to brokers, and the continuing role of the dollar as the base currency in many banks' foreign exchange operations. Country reports and profiles of bankers These articles will describe the chief characteristics and topical developments in the banking business of each country. Each article will be accompanied by two profiles of the central bank chief and the foremost banker in the banking business.

PART 2 — 29 MAY 1979

Changes in the banking business The move towards universal banking with banks increasingly anxious to diversify their activities. The chief developments in the business of banking for the consumer. The rise of the savings banks. Investment banks, merchant banks and consortium banks—what role is left for these specialist institutions as the move towards universal banking continues? Correspondent banking. The Regulatory Framework International bank regulations—there have been persistent calls for greater degrees of transparency and supervision in the international banking market. U.S. bank regulations—this highly developed system in the biggest banking market affects the development of the international banking business. Accounting conventions—lack of comparable accounting rules makes it very difficult to compare even the largest banks in the world. The role of the Bank for International Settlements in providing a forum where bankers (from Comecon too) can discuss currency intervention and banking supervision.

International Banking Centres These articles are to describe the characteristics and development of the better known banking centres. There is an introduction giving a brief account of the share of the international banking market accounted for by each centre and any broad geographic trends:

- City of London
- New York
- Zurich
- Frankfurt
- Paris
- Tokyo
- Hong Kong and other Far East centres
- Middle East centres

Country reports and profiles of bankers These articles will describe the chief characteristics and topical developments in the banking business of each country. Each article will be accompanied by two profiles of the central bank chief and the foremost banker in the banking business.

For further information please contact:
Helen Lees
Financial Times, Bracken House
10 Cannon Street, London EC4P 4BY
Tel: 01-248 8000 Ext. 238

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

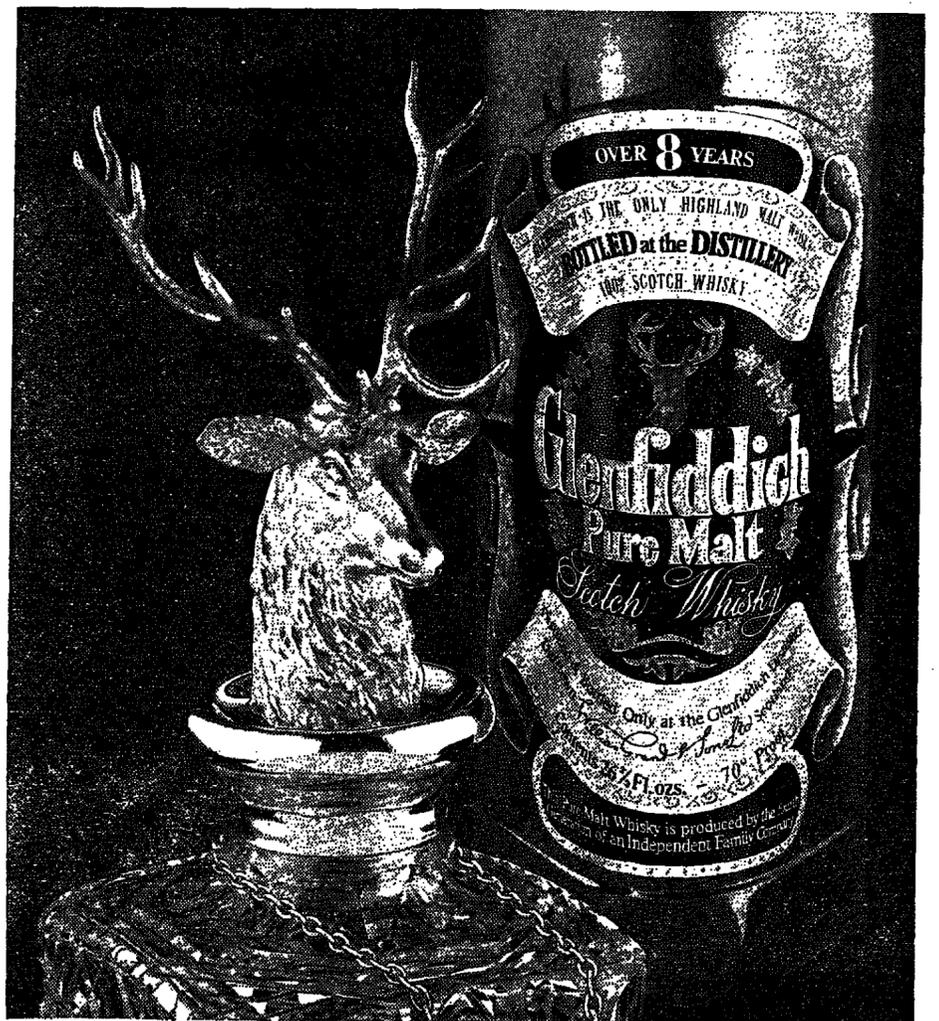
The content, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

There's only one way to take Glenfiddich.

Seriously.

You can take it straight.
Or with a little plain water.
But do remember that you're tasting no ordinary Scotch.
Glenfiddich is a pure, single malt. Distilled in the ancient way, in traditional handbeaten copper stills. The result is, perhaps the finest whisky the Highlands have to offer.
Take it slowly. Take it seriously.

'Glenfiddich' in Gaelic means 'Valley of the Deer.'





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Fluorocarbon based products, Fibre Reinforced Composites and Coated and Uncoated Industrial Textile Fabrics.

Record Profits Growth

TURNOVER **UP** 22% TO £14.7m.

PROFIT BEFORE TAX **UP** 56% TO £1.6m.

DIVIDEND PER SHARE OF 25p. (net) **UP** TO 6.94p.

PROSPECTS

Recent months have shown a lowering of economic growth forecasts, a need for tight monetary controls in the U.K. which depresses the level of demand and industrial unrest over remuneration levels. The impact of these factors which began to affect our business in the last few weeks of 1978 make it difficult to take an optimistic outlook for the current year. However, with the developments we have in hand, we have planned for further profits growth but not at the record rate we achieved in 1978.

Fothergill & Harvey Ltd, Summit, Littleborough, Lancashire

British Mohair Spinners
A very satisfactory result

Taking into account that 1978 from a trading point of view was probably the most difficult year that the industry has experienced since the end of the war in Europe, the increase in turnover and profits reflect great credit on all concerned.

Whilst many firms in the textile industry have been seriously affected by cheap imports into Britain, the Group has not suffered unduly from this problem. Fortunately, our products are all highly specialised requiring craftsmanship and experience and are very difficult for other manufacturers to make.

We shall continue to search for new markets and, whilst planning to increase our turnover in specialised yarns, we shall at the same time introduce better and more economic methods of production.

T. W. Hibbert, Chairman.



Year ended 31st December	1978	1977	1976
Turnover	£25,817	£24,132	£20,125
Profit before tax	2,826	2,406	2,094
Earnings*	11.53p	9.88p	8.48p
Net dividend*	3.14p	2.72p	2.46p
Tangible asset value*	76.01p	66.77p	58.50p

* per ordinary share

Companies and Markets

UK COMPANY NEWS

MINING NEWS

Japan securing coal life-lines

FURTHER comment comes from Charles Smith in Tokyo on the news reported here yesterday that Japan's semi-governmental Electric Power Development Corporation (Dengen Kaisha) is negotiating to acquire a 15 to 20 per cent stake in Blair Athol Mining, the Australian company which owns potentially vast reserves of steam coal in Queensland.

The EPDC, which is spearheading plans for the development of coal-fired electric power stations, would like to import up to 10m tons of coal from Blair Athol by the mid-1980s but is making the acquisition of a capital stake in the company a pre-condition for negotiating a long term purchasing contract.

Blair Athol's present shareholders, Cosmic Rio Tinto of Australia (62 per cent) and Atlantic Richfield (38 per cent) are believed to have agreed in principle to transfer part of their shareholdings.

Production at Blair Athol is currently running at around 100,000 tons per year, but reserves are estimated to be at least 200m tons. The expansion programme being contemplated by EPDC and the mine's existing owners would involve the construction of a port and a 290-kilometre railway line. Costs are estimated at around A\$4bn

(£2.15bn), although this is said to be a highly provisional figure. EPDC is a 70 per cent government controlled power generation company, which sells electric power on a "wholesale" basis to Japan's nine privately owned regional power generating companies (which also own the other 30 per cent of EPDC's shares).

The corporation operates the only power station in Japan fuelled solely by (domestically produced) steam coal and is far ahead of the rest of the industry in construction of power stations designed to use imported coal.

EPDC's Matsushima power station, due for completion in January 1981, will be the first imported coal burning power station to come into operation in Japan (with an annual consumption of 2.4m tons). A second plant with estimated annual requirements of 1.4m tons of coal is due to come on stream in 1982 to be followed, in 1984, by the much larger Matsuura plant (in the south island of Kyushu) which will consume 8m tons of coal per year.

EPDC's interest in the expansion of the Blair Athol mine appears to be directly related to the Matsuura project. Matsuura will probably be operated jointly with Kyushu Electric Power, a privately owned power generating company, which may

eventually buy out part of the EPDC stake in Blair Athol assuming negotiations with the mine's existing owners are successful.

Apart from its interest in the Blair Athol mine EPDC holds a 10 per cent stake in the Mount Arthur coal mine in New South Wales which may eventually yield between 1m and 5m tons per year (depending on the result of feasibility studies). The company has also signed import letters of intent with independent New South Wales mining companies.

The other main source of coal for EPDC's new power stations will be China. The China-Japan Long Term Trade Agreement, signed in February 1978, provides for the supply of 3.5m tons of steam coal to Japan over a five-year period ending in 1982.

EPDC's plans for coal fired electricity generation are being made within the framework of a Ministry of International Trade and Industry guideline which calls for the electric power industry to step up its coal using capacity to 40m tons by 1990.

EPDC officials, however, express doubts about the attainability of this figure. They consider that actual consumption is more likely to reach 20m to 30m tons by the end of the decade. The main obstacle to a faster rate

of progress is the difficulty of finding suitable sites for new power stations.

Benguet moves against trend

IN A reversal of the trend established by other mining companies, Benguet Consolidated, the gold producer in the Philippines, has experienced a sharp fall in first-quarter income, reports Leo Gonzalez from Manila.

Net income fell to Pesos 18.2m (£1.18m) from Pesos 34.5m in the same period of 1978, primarily because of a lower contribution from Engineering Equipment, the group's profitable subsidiary, which had to contend with revenues coming in more slowly from Middle East contracts.

Elsewhere in the mining industry better results are the rule.

Atlas Consolidated, the country's leading copper producer, had 1979 first-quarter net profits of Pesos 87.3m (£5.7m), compared with Pesos 1.6m for the 1978 first quarter.

Marco Mining, the next largest copper producer, earned Pesos 60.4m (£3.9m) against Pesos 24.7m over the same period.

Marinduque Mining and Industrial, whose interests range through copper, nickel and cement, had a net profit in the three months to March of Pesos 42m (£2.7m) compared with a loss of Pesos 98m in the comparable period of 1978.

These three companies, as well as Benguet, expect profits this year to be higher than during 1978, and they are pressing ahead with development projects.

Benguet is pressing ahead with the Dixon copper project in Zamboanga province in central Luzon, while Atlas has a new gold project in Aroroy in the central Philippines. For its part Marco is developing a second copper orebody near existing operations on Marinduque island in the central part of the country and Marinduque Mining is increasing both its copper and nickel capacity.

Increase for C. H. Pearce

PROFITS of C. H. Pearce and Sons, builder and contractor, rose by 19 per cent to £473,891 in the half-year ended November 30, 1978, and the directors state that the full year's result should exceed the £951m achieved in 1977/78.

With turnover showing an increase of 11 per cent to £2.47m, the result reflects an improvement in margins.

The directors point out that the figures for the 1977 half-year have been restated as a result of the change in accounting basis to incorporate SSAP-19 with regard to stocks and work in progress.

The interim dividend is increased from 1.5p to 1.45p—the total for 1977-78 was 3.77p.

After a tax of £298,329 (£206,950) and taking in a profit of £18,592 on the sale of freehold property, the net profit amounts to £244,063 (£191,051).

W. Morrison well equipped for 1979/80

In his statement to shareholders, Mr. K. D. Morrison, chairman of W. Morrison Supermarkets, says the company is well equipped to take advantage of all opportunities during the current year.

Sales have reached better levels than last year, but he adds that costs are now increasing faster than prices, and that every effort is having to be made to make all possible operational economies. A further progress report will be given at the AGM.

As reported on April 6, taxable profits for the 53 weeks ended February 3, 1979, rose from £2,82m to £3.57m on sales of £113.21m (£85.67m). The dividend is effectively raised, with Treasury permission, to 1p net per share against 0.82p. Results do not include extraordinary debits of £530,000, associated with the Whealans acquisition.

Developments in the current year will enhance the company's retail sales area by some 120,000 sq ft. Mr. Morrison says, a number of additional sites are at the final stage of negotiation or awaiting planning decisions, he adds.

Construction of the 70,000 sq ft fresh food factory was considerably delayed but is scheduled to start in the near future. This project will enable the company to widen profitably its range of fresh bacon, cheese and manufactured meat products.

Meeting, Bradford, on May 31 at 11 am.

News from Canada's mines

IN HIS LATEST round-up of the Canadian mining news scene John Segantch reports from Toronto that the directors of Camflo Mines say "there is every indication that the price of gold will remain buoyant and consequently gold production will continue to be the major contributor to Camflo's earnings."

But increased production of natural gas in both Canada and the U.S. "should result in a strong advance in revenue from this division in 1979." Camflo plans to participate in drilling of more than 200 wells this year and expects a substantial increase in gas reserves.

Coal operations are also expected to improve after a poor 1979 first quarter. As to exploration this will continue on the uranium prospect in northern Manitoba and the silver-base metal prospect in Spain. Other exploration programmes will include the Red Lake gold camp in northwest Ontario.

In 1978 Camflo received an average of C\$226 per ounce

while its mine operating cost per ounce was C\$83.75. The totals for 1977 were C\$162.50 and C\$67.49 respectively.

Dome Petroleum has bought 547,133 shares of Dome Mines at C\$120 each under its May 7 tender offer for 600,000 shares. All shares tendered have been accepted and the offer is terminated. This means that Dome Pete has increased its equity in Dome Mines to 39 per cent from 31 per cent.

Shareholders of Campbell Red Lake Mines, 67 per cent owned by Dome Mines, have approved the two-for-one split of the shares. The company now will have 16m shares outstanding. It has declared a dividend of 12j cents per share on the new shares payable August 27. This represents an increase to 25 cents quarterly on the basis of the old shares on which 20 cents is to be paid May 28.

A record quarterly profit is reported by the copper-molybdenum producing Brenda Mines for the three months ended March 31, 1979. This was C\$5.2m or C\$1.21 per share

versus C\$2.6m or 61 cents per share for the same period last year. Gross operating revenue was well ahead at C\$23.1m from C\$8.5m in the first quarter of 1978.

Brenda, owned 51 per cent by Noranda Mines, this year will again participate in Dome Pete's Beaufort Sea drilling programme with a C\$5m pre-tax investment. Brenda's main involvement in oil and gas is a joint exploration programme with Sulprevo of Calgary, results of which are regarded as encouraging in that 11 of 19 wells drilled have been completed as shut-in gas producers. Future development locations have been established that will be drilled "as market outlets are obtained for the natural gas."

Cyprus Anvil Mining, the big Yukon lead-zinc-copper producer, reports a first quarter profit of C\$11.5m or C\$1.51 per share. This compares with a loss of C\$3.3m, or a deficit of 43 cents in the first quarter of 1978. Total revenues were up to C\$66.6m from C\$25m. The improvement is principally attributed to higher metal prices.

ROUND-UP

South Africa's Randfontein Estates Gold Mining will adhere to a conservative dividend policy this year notwithstanding its large cash flow, the chairman, Mr. Bernard Smith, told the annual meeting in Johannesburg. Dividends totalled 450 cents in 1978 against 350 cents in 1977 following a pre-tax profit of R72.3m (£41.4m) against R48.3m in 1977. But the company is considering a further capital programme which involves "a new shaft complex."



THE SOUTH AFRICAN BREWERIES LIMITED INCORPORATED IN THE REPUBLIC OF SOUTH AFRICA

Preliminary Results and Final Dividends for the year ended 31 March 1979

COMMENT

EARNINGS AND DIVIDEND

Group
In November, Shareholders were advised that earnings for the first half of the year were 6% ahead of the previous year and that it was anticipated that earnings in the second half of the year would dmatch those of the previous year. In the event, earnings for the second 6 months were 19% ahead of the previous year. Earnings attributable to ordinary shareholders for the full year at R56.9 million (equivalent to 25.7 cents per share) improved by R7.7 million or 15%.

In the light of the improved results the Directors have decided to increase the final dividend by 1.0 to 9.0 cents per share, making a total for the year of 12.0 cents (1978: 11 cents).

Diversified Interests
The Group's retail, hotel and furniture manufacturing divisions turned in excellent performances and approximately three-quarters of the increase in Group taxed profits was derived from these activities.

Liquor Interests
The market has experienced intensive competition at all levels in the last six months. Aggressive marketing in the beer industry has increased volumes and the Beer Division fared well and improved profits significantly while maintaining market share. Stellenbosch Wine Trust Limited did well to hold last year's profit levels in view of the static wine and spirit industry volumes.

NEW DEVELOPMENTS IN THE LIQUOR INDUSTRY
In the interim announcement reference was made to the fact that the Company would seek permission from the Minister of Justice to achieve parity with its competitors in terms of involvement in the retail liquor trade. Permission has not yet been forthcoming.

A Board of Trade Inquiry into the monopolistic conditions in the industry has been ordered by the Minister of Economic Affairs and the Company welcomes this development.

Future Prospects
It is anticipated that the general upturn in the economy will continue to accelerate during the year as a result of the stimulatory measures contained in the fiscal budget. Against this background, consumer spending should increase satisfactorily and impact favourably on Group turnover. It is anticipated that costs and margins can be maintained to produce further satisfactory growth in earnings.

For and on behalf of the Board
F. J. C. Cronje (Chairman)
R. J. Goss (Managing Director)
2 Jan Smuts Avenue
Johannesburg 2001
9 May 1979

FINANCIAL RESULTS

CONSOLIDATED INCOME STATEMENT

The unaudited results of The South African Breweries Limited and its subsidiary companies for the year ended 31 March 1979, compared with those for the previous year, are as follows:

	1979	1978	1979/78
	Rm	Rm	Change %
Turnover	1 609.1	1 428.0	12.7
Operating profit before interest and taxation	130.3	115.8	12.5
Net interest paid	20.3	19.1	
Taxation	41.7	37.4	
Dividend income	6.7	5.2	
Group profit after taxation	75.0	64.5	16.3
Attributable to outside shareholders	11.6	8.2	
Preference dividends	3.9	4.5	
Earnings attributable to ordinary shareholders	59.5	51.8	14.9
Adjusted replacement depreciation	2.6	2.6	
Adjusted earnings attributable to ordinary shareholders	56.9	49.2	15.7
Extraordinary items	0.5	(0.1)	
Ordinary dividends	26.7	24.2	
Retained earnings	29.7	25.1	
Earnings per ordinary share (cents)			
Before additional replacement depreciation	26.83	23.56	13.9
After additional replacement depreciation	26.66	22.37	14.7
Dividends per ordinary share (cents)			
Interim	3.00	3.00	
Final	9.00	8.00	
	12.00	11.00	8.3

CONSOLIDATED BALANCE SHEET

	31.3.1979	31.3.1978
	Rm	Rm
Capital		
Ordinary and reserves	364	364
Preference	49	60
Outside shareholders	90	83
	503	507
Interest bearing debt	250	245
Total capital employed	753	752
Assets		
Fixed	502	527
Current	458	417
	960	944
Interest free liabilities	207	192
Net assets	753	752
Interest bearing debt to capital	0.59	0.48
Total liabilities to capital	0.91	0.86
Current assets to current liabilities	1.74	1.68

ACCOUNTING CONVENTIONS

Fixed assets and share investments of the Company and the liquor interests of the Group were revalued during the previous financial year. In the year under review the retail interests of the Group were reviewed and appropriate revaluations processed on properties.

CAPITAL AND RESERVES

During the year under review the capital and reserves attributable to ordinary Shareholders increased by R1 million. This arose primarily as a result of the set off against non-distributable reserves of the remaining goodwill arising on consolidation (R25 million), a net deficit on revaluation of the retail interests (R6 million); offset by retained earnings (R29 million) and an increase in ordinary share capital (R3 million).

DECLARATION OF FINAL DIVIDENDS

NOTICE IS HEREBY GIVEN that on 9 May 1979 the Directors declared the following final dividends on account of the year ended 31 March 1979 payable on or about 6 July 1979 to shareholders registered on 1 June 1979.

Class	Nominal value per share	Dividend per share
6.2% cumulative	R2.00	6.2 cents
7.0% convertible redeemable cumulative	R1.00	3.5 cents
8.0% redeemable cumulative	R1.00	4.0 cents
7.0% cumulative	R1.00	3.5 cents

The foregoing dividends are declared in the currency of the Republic of South Africa. Warrants in payment will be posted on or about 6 July 1979 to Members at their registered addresses or in accordance with their written instructions and will be despatched from the office of the transfer secretaries in Johannesburg to all payees except those to whom payment will be made from the office of the London Secretaries of the Company (Barnato Brothers Limited, 99 Bishopsgate, London EC2M 3XE). Any instructions which will necessitate an alteration in the office from which payment is to be made must be received on or before 1 June 1979.

Payments from the office of the London Secretaries of the Company will be made in United Kingdom currency calculated by reference to the rate of exchange ruling on 25 June 1979 or at a rate not materially different therefrom.

South African Non-Resident Shareholders' Tax at the rate of 14.03% and United Kingdom Tax will be deducted from the dividends where applicable.

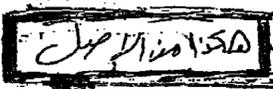
The Transfer Books and Registers of Members in respect of the shares which are the subject of this notice will be closed from 2 June to 10 June 1979, both dates inclusive. By order of the Board
B. C. Waigel
Group Secretary
2 Jan Smuts Avenue
Johannesburg 2001
9 May 1979



THE SOUTH AFRICAN BREWERIES LIMITED

J.P. 1979/150

UK COMPANY NEWS



Companies and Markets

Matthew Hall climbs by £1m to over £7m

OVER £1m growth in trading profit from oil, coal and chemical engineering activities at Matthew Hall and Co. more than offset a decline in electrical services in 1978. The group finished the year with taxable earnings up from £6.2m to a record £7.17m of which £2.33m, against £1.85m, came in the final quarter.

The mechanical services sides made a substantial profit, largely from its building engineering services operation, and a move into profitability by the two-year-old Saudi Arabian associate.

There were poor results from Holiday Hill, the electrical contracting subsidiary and the north-east plumbing concern George L. Bilelough with both companies showing some losses in contracts. However Sir Rupert Speir, group chairman, anticipates improvement in the current year.

Total sales were £1.8m higher at £175.4m. The surplus on mechanical and electrical services together fell from £2.2m to £2.28m but turnover here was up at £92.35m (£81.23m). Oil, coal and chemical engineering profit advanced from £1.92m to £2.36m on sales down £9.24m at £83.06m.

After tax, adjusted in line with SSAP 15, of £3.34m (£2.83m) stated earnings per share emerged at 33.46p (28.25p). Treasury consent has been

obtained for a net total dividend lifted to 8.4864p (7.1639p) by a 6.5194p deal. A one-for-two scrip issue is also proposed.

The company also announces that under a contract worth about £700,000, Matthew Hall Ortech is to act as consultants to the National Coal board for the design of two pilot plants to evaluate processes which could offer a competitive conversion of coal into oil. As well as designing the pilot plants, it will undertake a cost and design study for two commercial plants each having a coal feed rate of 500 tonnes per hour.

One process to be investigated will make use of the solvent properties of supercritical gases to produce an extract for hydrogenation. The other will make use of a liquid solvent.

comment

Matthew Hall's full-year results are at the top end of both the company's forecast and market expectations, thereby fully justifying the sharp rise in the share price in recent months. The results would have been even better but for management problems at Holiday Hill and Bilelough where losses on contracts resulted in a profit shortfall of roughly £0.5m. These adverse factors, along with the tough conditions still prevailing in the construction industry, explain

the 22 per cent profits downturn in the mechanical and electrical services division but this was more than compensated for by the energy-related activities of the oil, coal and chemical engineering interests, particularly in the North Sea. Against a background of the current energy crisis, this side of the business clearly has the best growth potential and the company is looking overseas for further outlets. In the U.S., where a small mining company is being acquired, Matthew Hall sees a significant upturn in the coal mining industry. At 278p, the shares are on a p/c of 8 while the yield is 4.7 per cent.

SUMNER CLOSSES FACTORY

Industrial group Francis Sumner (Holdings) is to close one of its factories, Delta Mill, operating in the Cotton and Rayon Spinning subsidiary. The closure is to be made after full consultation with the unions.

The subsidiary's other two mills are operating profitably and will continue as normal. It is expected that some of the workers will be offered alternative work in one of these.

Growth in Prudential Assurance investments

THE BOOK value of investments at the end of 1978 of the Prudential Assurance company, the principle life and pensions subsidiary of the Prudential Corporation, increased by 10 per cent to £4.63bn. The market value advanced by nearly 12 per cent to £5.07bn.

The ordinary life fund rose from £2.92bn to £3.28bn. Regular premium income jumped by 16 per cent to £434m and single premium by over 15 per cent to £51m. Investment income was 14 per cent higher at £271m.

In the industrial branch, the fund advanced from £1.01bn to £1.11bn. Premium income was 11 per cent higher at £166m and investment income advanced by 19 per cent to £112m.

At the end of 1978 the ordinary life portfolio was split as to: 36 (35) per cent fixed interest, 35 (37) per cent equities and 34 (30) per cent property. In the industrial branch, 27 (28) per cent was fixed interest, 42 (43) per cent in equities and 31 (28) per cent in properties.

For general insurance business, the poor results on the domestic account, particularly with household contents insurance, resulting in an underwriting loss of £4.5m last year, meant that the loss on UK business jumped in 1978 from £3.1m to

£4.5m. The three main factors contributing to this poor result were continuing underinsurance, a marked increase in the number of burglaries and the effects of bad weather. In an effort to reduce underinsurance, the company put up minimum premiums last August and is introducing index-linking in the middle of this year.

On overseas fire and accident business an underwriting profit of £2.3m was recorded against a marginal loss in 1977. Thus on world-wide general business the underwriting loss was cut from £3.9m to £2.9m.

H. Mackay better in first quarter

Profits of Hugh Mackay and Co., carpet maker, were better in the first quarter of 1979 than those for the similar period a year ago. Mr. John Mackay, chairman, told shareholders at the annual meeting.

Volume was very slightly higher, against the trend. But, with the strength of sterling, exports were not quite as buoyant.

The chairman said profitability

was a question of keeping the company's efforts aimed towards the up-market sector of the British and overseas market to avoid the discounting for volume which seemed predominant within the lower sectors.

In 1978, taxable profits expanded from £312,627 to £350,083, on turnover ahead from £7.54m to £8.67m.

UEI goes ahead to £1.5m

TAXABLE profits of United Engineering Industries advanced from £1.01m to £1.53m for the year ended January 31, 1979 on turnover ahead from £5.88m to £9.97m.

Treasury permission has been given for the company to lift the total dividend from 2.2212p net per 10p share to 3.65p with a final of 2.3p. There is also a one-for-two scrip.

Tax takes £391,423, compared with £432,028, and stated earnings per share are well ahead from 6.1p to 11.6p. There was an extraordinary debit last time of £43,233.

OTTOMAN BANK

Notice is hereby given that a DIVIDEND at the rate of £3.10 per Share, voted at the General Meeting of Shareholders, held on 8th May 1979, will be PAYABLE on and after 8th June 1979, in London at the Office, 23 Fenchurch Street, E.C.3.

The Coupon to be presented is No. 106. The holders of Founders' Shares will receive an amount of £334.36 per whole share payable on the same date and at the same place, against presentation of Coupon No. 49.

Coupons must be listed on forms, which can be obtained on application, and left five clear days for examination before payment.

Friends Provident lifts bonus rates

Friends' Provident Life Office, a leading mutual life company, has increased substantially its terminal bonus rates payable on death or maturity claims.

On all ordinary life contracts, except the flexible savings plan, the rate is lifted from 25 per cent to 35 per cent of attaching bonuses. The company last increased this rate at the beginning of 1978, and this latest rise reflects the recent strong movement in the equity market and continuing firm property values. Friends' Provident is the first life company to react to the recent rise in equity prices.

However, the rate for flexible savings plans remains at 25 per cent, at least for the time being. The company points out that these contracts offering a wide range of guaranteed cash values does place some restraint

on the choice of investments. The company is introducing a new terminal bonus for its current series of self-employed pension contracts—both single and regular premium. The rate will be 12 1/2 per cent of attaching bonuses before commutation takes place. This series was started in October, 1976.

On executive benefit schemes the interim rate of reversionary bonus is increased from 25 per cent to 28.50 per cent compound. The rebates for premiums over £800 per annum is also being improved.

To measure the effect of this latest increase on ordinary life contracts, a policy taken out in 1964 for a sum assured of £1,000 would have a maturity value of £2,700 prior to the increase but now would get £2,836—a rise of 5 per cent.

Future growth and profitability

Extract from the annual statement of the Chairman, Sir Barrie Heath, DFC

The Company has been moving towards a more concentrated organisation based on strategically selected main business areas, which will provide a firm base for future growth and profitability. This period of reorganisation and change is inevitably disruptive and painful in some areas but it is essential to ensure our competitiveness and commercial viability.

Developments in main business areas include the new manufacturing facility to produce automotive components in Sanford, North Carolina, which should be ready to start production by the end of the year. We have taken also a number of moves to strengthen our position in the wholesale and industrial distribution sector including the acquisition of Stern Osmat (housewares, gardening and leisure equipment) and Parts Industries Corporation of Memphis, Tennessee (automotive replacement parts and accessories).

Exports from the United Kingdom showed an increase to £225 million from £203 million in 1977. On a Group basis, sales to the USA totalled some £72 million, an increase of 65% over the preceding year. This fine achievement reflects the success of our automotive companies in enlarging their share of the North American market for vehicle components.

I thank everyone in the Company for their understanding and loyalty and for their tremendous efforts in improving our performance last year.

	1978	1977
	£ million	£ million
Turnover	1754.7	1639.2
Surplus before depreciation	157.7	139.9
Depreciation	61.4	56.8
Profit before taxation	87.3	72.3
Taxation	41.6	31.7
Dividends	26.3	23.5
Retained profit	13.3	9.3
Capital expenditure	85.3	70.8

	%
Primary metal products	14
Automotive components	41
Wholesale and industrial distribution	20
General and civil engineering products and services	25
	100

GUEST KEEN AND NETTLEFOLDS LTD

If you would like a copy of the 1978 Annual Report please write to: Guest Keen and Nettlefolds Limited, GPR Dept., GKN House, 22 Kingsway, London WC2B 6LG Tel: 01-242 1616 Telex: 24811

IRON TRADES INSURANCE COMPANIES

GROUP RESULTS FOR 1978

	1978		1977	
	£000	£000	£000	£000
Premiums Earned		£63,825		£51,278
Underwriting Results				
— Employers & Public Liability	(866)		(972)	
— Fire, Accident & Marine	(327)		(468)	
	(1,193)		(1,440)	
Investment Income		14,919		10,562
Profit before Taxation		13,726		9,122
Less Taxation		4,583		2,784
Profit for Year after Taxation		9,143		6,338
Appropriations				
Transfer to Claims Provisions	4,000		2,000	
Transfer to Bonus Account	1,100		850	
	5,100		2,850	
Transfer to Reserves		£4,043		£3,488
Statement of Reserves				
Reserves at beginning of year		14,494		11,006
Transfer from Profit & Loss Account		4,043		3,488
Consolidation Reserve		250		250
Reserves at end of year		£18,787		£14,744

EXTRACTS FROM THE ANNUAL ACCOUNTS AND ANNUAL STATEMENT OF DR. DENIS REBBECK, CHAIRMAN

Group premium income was £64 million and assets are over £175 million at book value. In furtherance of your Board's determination to continue the sound and well-financed growth of our wholly owned subsidiary, Iron Trades Mutual Insurance Company Limited, an additional £2 million of paid-up capital has been subscribed by the Association.

Iron Trades Employers' Insurance Association Limited

Premium income of the Association has increased to over £46 million, of which £43 million has been provided for claims. The company made a profit of £8.4 million after allowing for an underwriting loss of £0.9 million.

In recent years I have reported in some detail about the problems of the Association in relation to retrospective deferred claims. I am glad to say that almost 1,000 claims have been settled and this, together with the recent Court decision in McGuinness v. Kirksall Forge gives support for cautious optimism as to the overall level of settlement.

Employers' Liability insurance is longtail business and because of this substantial funds are created. Your Board gives considerable attention to investment policy. The contribution made by investment income has helped to expand our capital base, provide a bonus and also meet the additional burden of retrospective claims. We are unashamedly reserve minded and this emphasis can be seen in the accounts where a further £4 million for retrospective claims has been added to the provisions. Furthermore the free reserves, which for a mutual company are its only capital base, have increased by 26.5% to stand at £15.7 million.

Iron Trades Mutual Insurance Company Limited

A policy of expansion and diversification has been actively pursued over the last five years and the success of this is shown in the accounts. Still further expansion is planned and this will be through the medium of insurance brokers.

The liability account continued along sound lines and premium income now exceeds £4 million all of which was obtained in the United Kingdom.

Material loss insurance is still suffering from severe international competition, but despite reduced rates, premium development was satisfactory. An underwriting agency, in which we have a shareholding, was appointed to write a London market fire account solely through insurance brokers and worthwhile premium growth is expected during 1979.

The lack of progress in the motor account was due to a substantial increase in our rates combined with a more selective approach to risks. This action was necessary to combat the increasing cost of motor claims which still shows no signs of abating. A resumption of growth on a sound basis is anticipated in 1979.

The marine account, written through Solar Underwriting Agencies Ltd., continues to expand.

There has been a marked improvement in the level of investment income and after absorbing the losses on the underwriting accounts a surplus before tax of over £2 million has been achieved.

Iron Trades Insurance Companies, Iron Trades House, 21/24 Grosvenor Place, London SW1X 7JA.

INTERNATIONAL COMPANIES and FINANCE

Companies and Markets

GPU in moves to avoid insolvency

JOHNSTOWN — General Public Utilities Corporation (GPU) is reducing its work force by about 5 per cent to stay off a financial crisis in the aftermath of the Three Mile Island nuclear accident...

OUTLOOK IN THE U.S. INSURANCE INDUSTRY

Better prepared this time round

BY DAVID LASCELLES IN NEW YORK

THE COUNTRY'S worst nuclear accident and a catastrophic series of tornadoes, floods and chemical accidents got 1979 off to a bad start for the U.S. insurance industry...

Wheeler Hess, senior vice-president in charge of casualty, property and commercial lines at Travelers said: "the nicest way you could put it is that we feel pretty challenged."

Fearing that they might well be squeezed between rising costs and frozen premiums, the insurance companies are developing other ways of increasing their earnings.

The energy crisis may also work to the insurance industry's advantage by discouraging drivers from exceeding the 55 mph speed limit...

There is also a steadily growing public acceptance of the practice of automatically adjusting home-owner coverage to include the effects of inflation on replacement costs.

EUROBONDS

Gloomy trading hits main market prices

BY FRANCIS GHILES

GLOOM CONTINUES to be the dominant feeling in the major sectors of the international bond markets. In the dollar bond market, prices were marked down yesterday morning at the start of trading and did not move during the day...

Marginal rise for Asbestos Corporation

By Robert Gibbens in Montreal ASBESTOS CORPORATION, the second largest fibre producer in Quebec which is currently under threat of expropriation by the Government, has reported first quarter earnings of C\$3.4m (U.S.\$2.94m) or C\$1.21 a share against C\$3.3m or C\$1.16 a share, on sales of C\$43m against C\$28m.

Beatrice dispute erupts again

BY STEWART FLEMING IN NEW YORK

DISSENSION IN the Boardroom of Beatrice Foods, one of the largest U.S. food manufacturers, has erupted again with a decision by a director to file suit against the company...

Dome Pete in TCP deal

BY ROBERT GIBBENS

DOMESTIC PETROLEUM, the Canadian West Coast oil and gas producer and explorer in the deep waters of the Beaufort Sea in the Arctic, is raising its stake in TransCanada Pipelines from 22.5 per cent to 49 per cent.

Fairchild files Federal suit against Gould

BY OUR FINANCIAL STAFF

FAIRCHILD CAMERA and Instrument Corporation, which is contesting a \$315m takeover bid from the Illinois-based electronics concern Gould, has filed a suit alleging that a combination of the two companies would be in violation of Federal securities laws.

Extracts from the Statement by the Chairman, Mr. M. J. Babington Smith, at the 112th Annual General Meeting held in London on 9th May, 1979

Ottoman Bank

Incorporated in Turkey with Limited Liability

It is reported with regret that Monsieur Henri Dery of the Committee in Paris died on 16th January. He was elected to the Committee in 1955 and during these many years he made a most valuable contribution to the Bank.

1978 suffered from an adverse economic situation. The revival of business in the first months of the year was slowed by fresh incidents which took place in the capital.

TURKEY. In Turkey, 1978 was another very difficult year for the economy. The balance of payments deficit was, once again, high. Shortages of raw materials and power have handicapped growth.

BANK OF TEHRAN. The Balance Sheet of the Bank of Tehran for the financial year ended 20th March 1978 showed an increase of 49% over the preceding year.

These circumstances the question of a new legal status for our bank remained in abeyance. The friendly contacts which we have maintained over many years with the Turkish financial and monetary Authorities have continued.

You are well aware of the grave events which have taken place in Iran during recent months which culminated in the establishment of a Republic. These troubled times have had their effect on the country's economy.

Within the framework of our Convention our whole network continued to be active, with emphasis on foreign trade.

Hotel Project - ISTANBUL INTERCONTINENTAL. The Istanbul Intercontinental Hotel showed an improvement in its results during 1978. However, the income received by our Subsidiary, Istanbul Turizm ve Otelcilik, was again this year, insufficient to cover all their outgoings.

SYRIE ET DU LIBAN. The business of the Société Nouvelle de la Banque de Syrie et du Liban during

1978 exceeded that for 1977 by £123,000 and remitted profits of previous years are also higher by £50,000. After deducting profits awaiting transfer and adding the balance brought forward from 1977, an amount of £2,321,934 is available.

Copies of the Report and Accounts may be obtained from: The Secretary, Ottoman Bank, 2/3 Philpot Lane, London EC3M 8AQ

AMERICAN QUARTERLIES

Table with columns: Company Name, 1979 Revenue, 1978 Revenue, Net Profit, Net per share

WILLIAMS COMPANIES

Table with columns: Company Name, 1979 Revenue, 1978 Revenue, Net Profit, Net per share

RESERVE OIL AND GAS

Table with columns: Company Name, 1979 Revenue, 1978 Revenue, Net Profit, Net per share

TRANSWAY INTERNATIONAL

Table with columns: Company Name, 1979 Revenue, 1978 Revenue, Net Profit, Net per share

YEN STRAIGHTS

Table with columns: Company Name, 1979 Revenue, 1978 Revenue, Net Profit, Net per share

MEDIUM-TERM FINANCING EDF loan to be increased

BY JOHN EVANS

THE SYNDICATED Euro-currency loan for the French state energy agency, Electricite de France (EDF), should be increased in size to \$750m from the originally planned \$500m...

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists.

Large table listing international bond issues with columns: Country, Issued, Bid, Offer, Change on day, Yield

Information available - previous day's price. Only one market maker supplied a price.

Companies and Markets INTNL. COMPANIES and FINANCE

GERMAN ELECTRICAL ENGINEERING

Losses soar at AEG-Telefunken

BY GUY HAWTIN IN FRANKFURT

AEG-Telefunken's recovery has been further delayed by massive losses in 1978, and the management's target of a return to dividends in 1980 is no longer regarded as attainable.

The electrical group reported a loss of DM 337m (\$177.5m) for last year—almost 10 times as much as the previous year's DM 36.4m deficit. Furthermore there is also likely to be a large loss this year.

than-expected improvement in foreign demand.

At home the markets in which AEG is particularly strong fared less healthily than the management had forecast. Ironically, the main impetus for growth came in the communications and information technology sector—one in which AEG will not be able to participate to its full potential until the 1980s.

Siemens all-square in first half

BY ADRIAN DICKS IN BONN

SIEMENS raised its pre-tax profits for the first half of 1979 by DM 3m to DM 280m (\$148m) despite what appears to be an increasing financial burden from its subsidiary, Kraftwerk-Union.

sure on prices.

Group turnover in 1978 fell by 2 per cent to DM 12bn. However, when the newly-consolidated Hartmann and Braun subsidiary is excluded from the figures the sales fell was 6 per cent. Homes sales were stronger than exports—they went up 4 per cent to DM 7.6bn—but without Hartmann they would have stagnated. Exports fell 11 per cent to DM 4.4bn with Hartmann preventing the fall reaching 13 per cent.

U.S. shareholder for Bastogi

BY RUPERT CORNWELL IN ROME

DIAMOND SHAMROCK of the U.S. will take a shareholding of between 8 and 10 per cent in Bastogi as the first stage in what seems certain to be a sweeping reorganisation of the old-established Italian financial company.

parable period of 1978. Excluding Hartmann and Braun they were 8 per cent lower while orders were down 2 per cent.

Furthermore, the latest losses have eroded the group's capital base and steeply increased the level of gearing. At the end of 1978, own capital resources accounted for just 14 per cent of operating capital compared with 18 per cent a year earlier.

Estel may break even this year

By Charles Batchelor in Amsterdam

ESTEL HOESCH-HOOGOVENS, the Dutch-German steelmaker, expects to break even this year after the sharp reduction of its loss last year. However, the effects of the severe winter and the FI 80m cost of the German steelworkers strike, which continued into the current year, mean it will be in the red in the first quarter.

Finanziaria, most notably the largest Italian sugar concern Eridania.

Before the announcement shares in both Agricola and Eridania rose on the Milan Bourse, by over 10 and 7 per cent respectively. However, some analysts believe that the absence of any clear reference in this direction in the announcement, other than Bastogi's aim to "enter new profitable sectors" may now produce a bout of profit-taking.

INI deficit more than trebled

BY ROBERT GRAHAM IN MADRID

SPAIN'S STATE holding company INI, which accounts for 10 per cent of industrial production, has reported a more than trebled provisional loss for 1978 of Pta 57.6bn (\$850m) compared to the previous year's Pta 16bn. President Jose Miguel de la Rica admitted that the result was "bad."

He attributed the steeper losses to INI's heavy and increased involvement in the problematical steel and shipbuilding sectors, both of which

are being restructured and the subject of heavy new investment. Another factor, he said, was the increased cost of the credit that had raised INI's financial costs. The loss is before direct government grants, primarily to the coal mining group Hunosa and the naval shipyards, Bazan. When government grants are included INI's net loss is Pta 39.8bn more than seven times that of the previous year.

Sales drop for Porsche

BY ANDREW FISHER IN FRANKFURT

PORSCHE, the West German producer of prestige sports cars, has been forced by the continued strength of the Deutsche Mark to reduce its high level of sales in the U.S. and expects its strong dependence on this market to drop further in the current financial year.

The Stuttgart-based company said yesterday that its turnover moved ahead in the first half to January 31 by 16 per cent to DM 664m (\$351.5m), with worldwide sales of sports cars up by 8 per cent to 20,530 units.

In the U.S., where Porsche sells more cars than in any other country, sales declined by 2.2 per cent over the six months. Although some of the slack was taken up by other foreign markets, where overall sales rose by 21.5 per cent, the company's export share eased from 72 per cent to 69.3 per cent.

SGI to sell control of hotel group

By Our Rome Correspondent

NEGOTIATIONS are at an advanced stage for Societa Generale Immobiliare (SGI) to sell its 42 per cent controlling interest in the major Italian and European hotel group, CIGA, to an undisclosed foreign purchaser.

Confirmation of the talks fits in with the known intention of the group to rationalise its interests outside the construction sector which provides most of its business, after its unhappy entanglement with Sig. Michele Sindona, the financier now under investigation in both Italy and the U.S.

SGI however, denied reports that the foreign buyer was the Sheraton chain of hotels. CIGA, Compagnia Italiana Grandi Alberghi, operates a chain of luxury hotels not only in Venice and throughout Italy but also in many European countries, including France.

All of these Securities have been sold. This announcement appears as a matter of record only.

US \$40,000,000 Comalco Investments Europe S.A. 10 1/4% Guaranteed Bonds Due 1991

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Comalco Limited

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Estel may break even this year

By Charles Batchelor in Amsterdam

ESTEL HOESCH-HOOGOVENS, the Dutch-German steelmaker, expects to break even this year after the sharp reduction of its loss last year. However, the effects of the severe winter and the FI 80m cost of the German steelworkers strike, which continued into the current year, mean it will be in the red in the first quarter.

If its forecast is met, this will signify a considerable improvement in 1978 when a net loss of FI 288.5m (\$141m) was recorded. Any improvement depends on a further increase in steel demand and higher prices, managing board member Mr. Olivier van Royen said.

The company expects to achieve "the full level of planned savings of FI 500m annually in 1979 after saving FI 350m in 1978. It expects to invest FI 550-600m this year compared with FI 545m in 1978. Although 1978 was a bad year it did mark the beginning of a recovery, Mr. van Royen said, as sales and prices improved and there was a decline in the cost of raw materials.

Scandinavian banks in New York move

By Hilary Barnes in Copenhagen

THREE Scandinavian banks, Copenhagen Handelsbanken, Den Norske Creditbank, and Finland's Kansallis Osake Bank, are each to acquire a 25 per cent share in Nordic American Bank, New York, which has hitherto been wholly owned by Svenska Handelsbanken.

Nordic American Bank, established four years ago, has an equity capital of \$11m which will be increased to \$21m through the participation of the three new banks. It will become the first Nordic bank to establish itself in the U.S. Copenhagen's Privatbank has announced that it is setting up a branch in New York.

Statsfoeretag expects to stay in red

BY VICTOR KAYREZ IN STOCKHOLM

STATSFOERETAG, the Swedish state holding company, expects its 30 or so subsidiaries to post a combined pre-tax loss this year. If it were not for the iron mining company LKAB, the forest products firm ASSI and the chemicals company Borel-Kemi, the group would show a 1979 profit.

The annual report said sales would rise nearly 13 per cent in 1979, with these gains offset by increasing their turn-down but at insufficient prices. Prospects appear promising for some portions of the group, however. In 1978, the group pre-tax loss was SKr 922m (\$211m).

Siemens all-square in first half

BY ADRIAN DICKS IN BONN

SIEMENS raised its pre-tax profits for the first half of 1979 by DM 3m to DM 280m (\$148m) despite what appears to be an increasing financial burden from its subsidiary, Kraftwerk-Union.

Group orders during the six months up to the end of March were up only 1 per cent to DM 14.4bn. Leaving KWU out of account, however, the gain was 7 per cent, with exports up 4 per cent and sales within West Germany climbing by no less than 10 per cent during the period.

Sales drop for Porsche

BY ANDREW FISHER IN FRANKFURT

PORSCHE, the West German producer of prestige sports cars, has been forced by the continued strength of the Deutsche Mark to reduce its high level of sales in the U.S. and expects its strong dependence on this market to drop further in the current financial year.

The Stuttgart-based company said yesterday that its turnover moved ahead in the first half to January 31 by 16 per cent to DM 664m (\$351.5m), with worldwide sales of sports cars up by 8 per cent to 20,530 units.

In the U.S., where Porsche sells more cars than in any other country, sales declined by 2.2 per cent over the six months. Although some of the slack was taken up by other foreign markets, where overall sales rose by 21.5 per cent, the company's export share eased from 72 per cent to 69.3 per cent.

SGI to sell control of hotel group

By Our Rome Correspondent

NEGOTIATIONS are at an advanced stage for Societa Generale Immobiliare (SGI) to sell its 42 per cent controlling interest in the major Italian and European hotel group, CIGA, to an undisclosed foreign purchaser.

Confirmation of the talks fits in with the known intention of the group to rationalise its interests outside the construction sector which provides most of its business, after its unhappy entanglement with Sig. Michele Sindona, the financier now under investigation in both Italy and the U.S.

INI deficit more than trebled

BY ROBERT GRAHAM IN MADRID

SPAIN'S STATE holding company INI, which accounts for 10 per cent of industrial production, has reported a more than trebled provisional loss for 1978 of Pta 57.6bn (\$850m) compared to the previous year's Pta 16bn. President Jose Miguel de la Rica admitted that the result was "bad."

He attributed the steeper losses to INI's heavy and increased involvement in the problematical steel and shipbuilding sectors, both of which

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Cooper Industries, Inc.

has acquired through merger

Gardner-Denver Company

The undersigned acted as financial advisor to Cooper Industries, Inc.

Lehman Brothers Kuhn Loeb Incorporated

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May 10, 1979

Companies
and Markets

INTERNATIONAL COMPANIES and FINANCE

VOLVO

Shareholders of Aktiebolaget Volvo

The Ordinary General Meeting of Aktiebolaget Volvo will be held in Alstroemer Hall, Svenska Maessan, Entre Vaest, Skaanegatan, Gothenburg at 4.30 p.m. on Thursday, 31st May, 1979. Shareholders who wish to attend the meeting should notify the Company by not later than 12.00 noon on Monday, 28th May, 1979 either in writing or by telephone.

The Ordinary General Meeting shall be convened to consider matters to be dealt with in accordance with the Swedish Companies Act and the Company's Articles of Association including the reception of the Directors Report and audited statement of accounts, the declaration of a dividend in respect of the year ended 31st December, 1978, approval of the Board's proposal for a new issue of shares and the election of members and deputy members of the Board and the Auditors. It is proposed that, subject to approval by the Ordinary General Meeting, the dividend will be paid on 12th June, 1979 to shareholders registered on 5th June, 1979.

In order to take part in the Ordinary General Meeting, shareholders must be registered in their own name at the Swedish Securities Register Centre (VPC) not later than 21st May, 1979. Shares registered in the names of nominees should be temporarily re-registered in the names of the shareholders themselves to enable them to participate.

By Order of the Board
Claes Beyer, Secretary, A.B. Volvo
S-405 08 Gothenburg, Sweden
Tel: 031 59 56 00 (Legal Dept.)

May, 1979

Advance by S. African Breweries

SOUTH AFRICAN Breweries, the major South African diversified brewery concern, lifted pre-tax profits in the year ended March 31, 1979, on turnover of R1.6bn compared with R1.4bn. Reuter reports from Johannesburg.

Earnings per share rose from 23.6 cents to 26.8 cents and the final dividend is raised from 8 cents to 9 cents for a 12 cents total, against 11 cents.

Meanwhile the main non-liquor offshoot, OK Bazaars, which is South Africa's largest retailer, is apparently emerging into a steady growth phase after three years of stagnating profits, writes Jim Jones from Johannesburg. On a 9.5 per cent net sales increase to R592.4m (\$701m) in the year to March 31, from R540.7m in 1977-78, pre-tax profit rose by 10.1 per cent to R25.1m (\$29.7m), from R22.8m.

Solid real growth is anticipated by the company, it is understood. The past year's results were hampered by continuing disappointing trading at the group's Hyperama (hypermarket) outlets, with major non-recurring costs having to be absorbed. But restructuring of this activity has been completed, two new Hyperama are to be opened later this year, and the division's performance is expected to improve considerably.

At the same time, the development of a more aggressive marketing strategy has meant that OK is more than holding its own in an increasingly competitive retail market on a par with the management's view that retail sales, especially in higher margin durables and semi-durables, are set to improve, this year offers a prospect of growth in turnover and profits.

On earnings per share of 122.5 cents, against 106.5 cents in 1978, the total dividend has been increased to 65 cents, after three years level pegging at 58 cents. The shares are currently trading at 870 cents in Johannesburg.

Clicks Stores plans a public listing

By Jim Jones in Johannesburg

CLICKS STORES, the South African discount cash and carry retail chain in which Greatermans Stores has a 50 per cent stake, is planning a public listing in June.

Full details will be given with publication of the statutory prospectus next week. But Clicks has disclosed in Johannesburg this week that of its currently issued 10m shares, 2m are to be offered to the public at a price of 100 cents per share. Shareholders in Greatermans will be offered the right to subscribe to 1.1m shares, a further 0.5m are to be placed with Clicks' suppliers, directors and executives and the remaining 0.4m allotted to the company's executive share purchase scheme.

Following the issue, Greatermans will be left with 3.7m shares and Mr. Harry Goldin, the Clicks chairman, who currently has a 50 per cent holding, with 4.3m.

For Greatermans, the public issue, which will bring in R1.3m (\$1.5m), will provide additional funds, needed for the troubled department store's recovery.

Currently, Clicks operates 28 retail stores with a combined turnover of R31.2m and pre-tax profit of R3.3m in 1978. This year, one store is scheduled for opening, while turnover is expected to rise to R38.7m, and pre-tax profit to R3.1m.

At the after-tax level, Clicks projects earnings per share of 19.5 cents for the year to June 30, 1980, and says that its policy is to cover dividends 2.3 times.

Improvement at Magnum

By Wong Sulong in Kuala Lumpur

PRE-TAX PROFITS of Magnum Corporation, the Malaysian lottery company, rose by 18 per cent last year to 21.6m ringgit (U.S.\$9.4m) but provisions for losses suffered by an associate company processing synthetic rutile has once again held back earnings.

Magnum holds 30 per cent of Malaysian Titanium Corporation, which has a synthetic rutile plant in Ipoh, which had not been operating because of strong competition from Australia. The company is now under receivership.

Magnum has set aside 5.6m ringgit in extraordinary items, most of which would go towards covering losses in Malaysian Titanium.

This, together with a higher tax charge, has brought net profits to 4.8m ringgit in 1977, compared with 4.2m ringgit in 1977. The group is paying a final dividend of 10 per cent, making 15 per cent for 1978—the same as the year before.

BRAZILIAN INVESTMENTS S.A.

Net Asset Value as of 30th April, 1979
Per Depository Share: U.S.\$101.01
Per Depository Share (Second Series): U.S.\$74.68

Listed The London Stock Exchange

Better than expected profit increase for Victor

BY YOKO SHIBATA IN TOKYO

VICTOR COMPANY of Japan, one of the major Japanese manufacturers of audio components and the developer of the VHS home-use video tape recorder, has reported a sharp upturn in operating and net profits for the year to end-March, 1978. Victor's operating profits rose by 20 per cent to Y8,82bn (\$41m) and net profits by 26 per cent to Y3,84bn on turnover of Y187,58bn, up 14 per cent on the year. Profits per share were lifted from Y23.9 to Y28.3.

The increase in profits was much higher than the company had expected — reduced profit margins having been feared under the negative impact of the yen appreciation. Strong gains in turnover and profits were contributed by buoyant

video tape recorder (VTR) sales, which were up 137 per cent in domestic and overseas markets. The successive introduction of recorders with different models and functions were well accepted by customers, according to the company.

During the year, the company sold 330,000 units for Y4,9bn, or 34.7 per cent of the total turnover compared with 16.7 per cent a year earlier. Strong sales of VTRs also offset the sales setbacks in audio equipment (down 13 per cent) and colour television (down 13 per cent) arising from lower exports caused by the yen appreciation.

However, exchange losses on exports (which accounted for 3.7 per cent of the total turnover) caused by yen appreciation were negligible, because

dollar-denominated exports accounted for only a quarter of the total.

A significant improvement in the company's financial standing also contributed to its strong earnings performance. The capital ratio improved from 41 to 44 per cent.

For the current year, Victor expects a further improvement in both turnover and profits on the strength of an increase in sales of VTRs by 34 per cent to Y87.1bn and by the recovery of exports after the recent falling back in the yen in the foreign exchanges.

Sales are forecast at Y213bn (up 13 per cent), operating profits at Y10.6bn (up 12 per cent), and net profits at Y4.5bn (up 17 per cent) over 1978-79.

Setback for United Engineers

BY GEORGIE LEE IN SINGAPORE

UNITED ENGINEERS, one of Singapore's oldest and leading engineering firms, suffered a major setback last year. The group reversed from a post-tax profit of S\$5.57m in 1977 to an after-tax loss of S\$6.03m (US\$2.74m) for the year ended December, 1978. Group turnover rose by 17 per cent to S\$78m.

United Engineers blamed the reversal on two main factors—severe competition facing its engineering divisions and the substantial provisions which had to be established against certain projects where losses arose in the year or are expected to crystallise when the

contracts have been completed. The company explained that orders for these unprofitable contracts were taken some years ago and that the board considered it prudent to deal with the situation in the 1978 results.

However, the state of affairs which gave rise to such losses, United Engineers said, has now been rectified and an early return to profitability can now be anticipated.

The group has decided to cut its gross dividend payment from 10 per cent to 1 per cent.

Overseas Union Enterprise (OUE), owner of the select

Mandarin Hotel in Singapore, has turned in its best-ever performance. Group pre-tax profit for the year ended December 1978 soared 70 per cent to a record S\$8.92m (U.S.\$4.03m) although turnover was only 13.6 per cent higher at S\$50.94m.

The post-tax profit figure has yet to be announced, but the tax charge is expected to be significantly lower than the standard rate of tax in view of relief still available from unabsorbed tax losses.

The record profit would probably have almost wiped off the group's accumulated losses of S\$7.32m.

Sales fall at Cycle and Carriage

BY OUR SINGAPORE CORRESPONDENT

SLACKENING DEMAND for new motor vehicles in Singapore and Malaysia, after last year's record growth, has shown up in the performance of the leading local motor trader, Cycle and Carriage. For the half-year to March, pre-tax profit for the group declined by 18 per cent to S\$23.6m (U.S.\$10m).

The profit decline, was forewarned by Mr. Chua Boon Peng, the group's chairman, in his 1978 report.

Cycle and Carriage, which is the agent for Mercedes and Mitsubishi vehicles in Singapore and Malaysia, disclosed that its sales of passenger cars fell by 42 per cent in Malaysia and 25 per cent in Singapore compared with last year's interim figures.

The fall in demand, the group explained, occurred mainly in the Mitsubishi range on account of selling price increases necessitated by higher import costs.

However, improvements were recorded in commercial vehicle sales during the same period in line with market trends.

Group turnover at S\$197.4m was only marginally lower, reflecting the effect of price increases and increased contribution from commercial vehicles and non-vehicle sales.

Of the total, Malaysian sales accounted for S\$125.9m, about 2 per cent lower than the previous year's interim figure, while Singapore sales remained practically unchanged at C\$70.5m.

Cycle and Carriage has

declared a gross interim dividend of 7 per cent, marginally higher than the 6.67 per cent interim dividend paid last year after adjusting for last year's scrip issue.

On prospects for the rest of the current year, the group said that demand for Mercedes Benz cars is expected to be maintained at the current levels.

Cycle is hoping that sales of Mitsubishi vehicles will improve and that the increased demand in commercial vehicles will continue.

The group has forecast that second-half profit will at least match that achieved in the first half. This appears to imply that Cycle's full-year profit for 1979 could be significantly lower than the S\$57m or so pre-tax chalked up in 1978.

Further bad news for shareholders is that there is currently talk of the Singapore Government intending to lift tariff protection for local motor assemblers.

Currently Mercedes Benz, Ford and British Leyland cars are assembled locally from completely knocked down packs and therefore enjoy exemption from import duties which are applicable to vehicles imported into Singapore in completed, built-up form.

The imposition of import duties—which can work out to about 45 per cent of the custom cif price of completely built-up cars—on locally assembled cars would substantially lift the

cost of these cars. However, there is no official confirmation of this from the Government.

The latest results of Cycle and Carriage Binaam Berhad, the Malaysian distributor of Mercedes cars, show even slower growth. Profits for the half-year to March rose by 1.3 per cent to 9.1m ringgit (U.S.\$4.1m). Sales rose by 11.5 per cent to 85m ringgit (U.S.\$39m), writes Wong Sulong from Kuala Lumpur.

Nevertheless, the company is paying an interim dividend of 10 per cent, compared with 7 per cent previously.

Dividend raised at Ampol Exploration

By James Forth in Sydney

AMPOL EXPLORATION has effectively increased its dividend payout, although earnings for the March half-year edged only from A\$3.5m to A\$3.7m (U.S.\$4.1m). The company, which is 67.6 per cent owned by Ampol Petroleum, is a member of the Wapet consortium which produces oil on Barrow Island, off the coast of Western Australia.

Turnover in the six months jumped from A\$8.8m to A\$12.8m (US\$14.2m), but crude oil revenue net of excise-levy was only A\$5.5m, an increase of 18 per cent over the A\$4.5m for the same period of 1977-78.

The interim dividend is held at 3.75 cents a share, but will be paid on capital increased recently by a one-for-eight scrip issue. Production of Barrow Island crude oil rose from 5.60m barrels to 5.67m barrels, while sales increased from 5.4m barrels to 6.1m barrels.

Ampol Exploration is entitled to one-seventh of the sales. The directors have allocated A\$1.5m from unappropriated profits to the reserve for oil depletion. The reserve now stands at A\$4.16m, but no amounts were written off against this reserve during the six months.

Sharp rise for Zur

By L. Daniel in Tel Aviv

ZUR—one of Israel's larger insurance companies—reports an increase of 81 per cent in its net profit in 1978, to I£11.8m (\$0.51m) as compared with 1977. Reflecting last year's trends in life and elementary insurance business in Israel, Zur increased its profits from life business threefold to I£1.8m while its losses on elementary insurance nearly doubled, to I£6.8m.

Like other companies, Zur relies on income from its investments to cover such losses. Its investments consist largely of Government bonds linked to the cost of living index, which, in 1978, rose by close to 50 per cent and may exceed that rate this year.

Moët-Hennessy

At its meeting on 20th April 1979, the Board of Directors of MOËT-HENNESSY adopted the accounts for the year ended 31st December 1978, which showed a net profit of FF 39,333,636 including an exceptional gain of FF 4,805,268.

The distribution proposals to be put before the Annual General Meeting called for 28th June 1979, will provide for a dividend of FF 5.50 per share which, coupled with the tax already paid to the Treasury, will produce a total income of FF 8.25.

It should be recalled that a payment on account of FF 5.00 was made on 31st January 1979, bringing the total dividend for the year to FF 10.50 net and, allowing for the tax already paid, the income as a whole to FF 15.75, an increase of 25% over the previous year.

The company's accounts for the business year 1978 have been revalued in accordance with the regulations in force, a process which entails the creation of a 'revaluation reserve' of FF 434,133,198 in respect of assets of a non-depreciable nature.

Consolidated Results of the Moët-Hennessy Group (In Thousand Francs)

	1978	1977
Turnover before tax	1,917,000	1,527,455
Gross trading profit	209,000	152,809
Net book profit	89,000	66,042
Net adjusted profit	104,000	65,665
Cash flow	157,000	106,772
Net adjusted profit per share	33.00	20.80

The Group's consolidated turnover thus shows a rise of 25.5%. The trading profit for its part is up by 37.1%, and the net adjusted profit has increased by 59.3%. It should be pointed out in this connection that all the French companies forming part of the MOËT-HENNESSY group on 31st December 1978 have been revalued and that the trading profit shown below accordingly takes into account additional depreciation totalling FF 8,744,000 though this does not affect the net profit.

Champagne Business

The consolidated turnover for the year 1978 was 21.9% up on 1977 and reached FF 874,500,000. The trading account showed a profit of FF 121,080,000 as against FF 67,300,000 the previous year. The net adjusted profit for its part, calculated using the customary methods, amounts to FF 59,220,000, as against FF 27,590,000 in 1977. This increase in results, due to the growth of sales and the improvement of trading conditions, also takes into account the favourable stock position since 1975.

This year's figures shown below still include the losses of the Californian subsidiary which were largely due to the rise in interest rates in the United States.

Cognac Business

The consolidated turnover of the Cognac sector amounted to FF 480,840,000 as against FF 396,340,000 in 1977, an appreciable increase. Nevertheless trading difficulties in 1978, particularly the problems caused by the fall of the Dollar, made it impossible to match the results of 1977 and, based on a trading profit of FF 17,030,000 as against FF 25,050,000 in 1977, the net adjusted profit accordingly amounts to FF 11,360,000 as against FF 16,890,000 in the previous year.

Perfume and Beauty Products Business

This sector includes for the first time the ROC companies in which the MOËT-HENNESSY group acquired a majority holding in 1978.

The turnover of all the companies in this sector reached FF 561,750,000 in 1978, a rise of 35.7% over the previous business year, and produced a consolidated trading profit of FF 76,180,000 that reflected an increase of 13.3%. The net adjusted profit for its part was up 21.8% to a total of FF 34,960,000.



U.S. \$50,000,000 Hapoalim International N.V.

Guaranteed Floating Rate Notes 1984

For the six months

10/5/79 to 12/11/79

The Notes will carry an

Interest rate of 11 1/2 per annum

Coupon Value \$597.38

Listed on The Stock Exchange, London

Agent Bank — National Westminster Bank Limited, London

INSURANCE BASE RATES

† Property Growth 114%
† Vanbrugh Guaranteed 10.12%
† Address shown under Insurance and Property Bond Table

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.

45 Cornhill, London, EC3V 3PB. Tel: 01-623 6314
Index Guide as at May 3, 1979
Income Fixed Interest Portfolio 115.15
Income Fixed Interest Portfolio 105.15

CLIVE INVESTMENTS LIMITED

1 Royal Exchange Ave. London EC3V 3LU. Tel: 01-283 1101.
Index Guide as at May 1, 1979 (Base 100 on 14.7.77)
Clive Fixed Interest Capital 125.81
Clive Fixed Interest Income 127.81

I.G. Index Limited 01-351 3466. Three month Copper 950.5-958.0

29 Lamont Road, London SW10 0HS.

1. Tax-free trading in commodity futures.

2. The commodity futures market for the smaller investor.

CORAL INDEX: Close 542-647

N.V. GEMEENSCHAPPELIJK BEZIT VAN AANDEELEN PHILIPS' GLOEILAMPENFABRIEKEN

(Philips Lamps Holding)
Eindhoven, The Netherlands

At the Ordinary General Meeting of Shareholders held on 8th May 1979 a total dividend in cash for the year 1978 has been declared of 1.80 Netherlands Guilders per ordinary share of 10 guilders nominal value. After giving effect to the interim dividend of 0.80 guilders previously declared and payable in December 1978, a final dividend for the year 1978 amounting to 1.20 guilders will become payable as from 21st May 1979.

Payment of the net amount of this dividend on UK-CF certificates will be made by the company's paying agent, Hill Samuel & Co. Ltd., 45 Beech Street, London EC2P 2LX to the UK-CF depositaries in accordance with their positions in the books of CF-Amsterdam on 8th May 1979 at the close of business.

Holders of UK-CF certificates are reminded that such payment is subject to deduction of 25 per cent Netherlands Withholding Tax. This 25 per cent, may however, be reduced to 15 per cent, when payment is made to residents of the United Kingdom or to residents of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Western Germany, Ireland, Japan, Luxembourg, Netherlands Antilles, Norway, South Africa, Spain, Sweden or the United States of America, who deliver through the UK-CF depositary the appropriate Tax Affidavits to the company's agency Hill Samuel & Co. Limited. The Netherlands Withholding Tax may be reduced to 20 per cent when payment is made to residents of Indonesia who deliver the appropriate Tax Affidavit in the above mentioned way. Payment of the net/guilder amount of dividend will be made by Hill Samuel & Co. Ltd., in sterling at the rate of exchange ruling on 22nd May 1979, unless payment in guilders on an account with a bank in the Netherlands is, with due regard to UK Foreign Currency Regulations, requested before 21st May 1979.

Eindhoven 10th May 1979.
The Board of Governors.

PHILIPS

Weekly net asset value on May 7th 1979

Tokyo Pacific Holdings N.V.
U.S. \$65.32

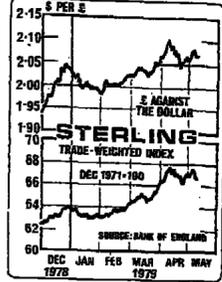
Tokyo Pacific Holdings (Seaboard) N.V.
U.S. \$47.59

Listed on the Amsterdam Stock Exchange
Information: Pearson, Harding & Pearson NV Herengracht 214, Amsterdam.

VONTOBEL EUROBOND INDICES		14.5.76 = 100%			
PRICE INDEX	30.478	6.579	AVERAGE YIELD	30.4.79	6.5.79
DM Bonds	101.82	99.35	DM Bonds	7.185	7.325
HFI Bonds & Notes	88.60	98.50	HFI Bonds & Notes	8.590	8.591
U.S. \$ Str. Bonds	86.40	96.10	U.S. \$ Str. Bonds	8.465	8.525
Can. Dollar Bonds	96.34	96.40	Can. Dollar Bonds	8.851	8.951

Pound steady

Trading remained quiet throughout yesterday's foreign exchange market, with sterling hardly any overall change from Tuesday's closing levels. The pound opened at \$2.0690-2.0690 against the dollar and eased to \$2.0635 before recovering to \$2.0660 by lunch. During the



with Y215.10 previously. Using Bank of England figures, the dollar's trade weighted index fell to 85.7 from 85.9. The Canadian dollar continued to show a weaker trend and eased to 86.171 U.S. cents. The Irish punt showed a weaker tendency all round, with the exception of sterling, where it closed unchanged at 96.95p. Against the dollar it eased to \$2.0010 from \$2.0040 and Bfr 60.66 from Bfr 60.68 in terms of the Belgian franc. The punt fell to Ffr 8.7565 from Ffr 8.7615 against the French franc. DM 3.7975 against the D-mark and Fl 4.1220 from Fl 4.1250 against the guilder. The lira also gained at the punt's expense with the latter quoted at L1,693.45 from L1,696 and Dkr 10.6695 against Dkr 10.6675 in terms of the Danish krone.

FRANKFURT—There was no intervention by the Bundesbank yesterday when the dollar was fixed at DM 1.8960, slightly up from Tuesday's fixing of DM 1.8946. Trading was generally subdued with little in the way of free news to affect the market. MILAN—The lira showed a slightly firmer tendency against the dollar and major European currencies, with the D-mark at L446.33 against L446.57 and the dollar easing very slightly to L346.20 from L346.30. Sterling was quoted at L1,749.3 showing a marginal gain from Tuesday's level of L1,748.4.

TOKYO—The dollar finished slightly weaker against the yen yesterday at Y215.79 compared with Y215.05 on Tuesday. Trading continued to show a very heavy volume with \$1.169bn dealt in the spot market. The U.S. unit opened at Y215.50 and briefly touched Y216.40 before drifting down to its closing level. Intervention by the Bank of Japan was estimated at \$200m, although the dollar appeared to be somewhat steadier after its recent decline.

EMS EUROPEAN CURRENCY UNIT RATES

Country	ECU rate	Currency amount	% change from central	% change adjusted for divergence	Divergence unit %
Danish Franc	39.4562	40.3483	+2.28	+1.86	+1.53
Belgian Franc	7.0882	7.10647	+0.26	+0.20	+0.28
German D-mark	2.5184	2.5244	+0.24	+0.20	+0.20
French Franc	5.79531	5.827	+0.55	+0.20	+1.35
Dutch Guilder	2.7207	2.74314	+0.82	+0.23	+1.5075
Italian Lira	1.9365	1.96284	+1.38	+0.24	+1.14
Irish Punt	1.188.15	1.188.61	+0.39	+0.28	+0.4725

EXCHANGE CROSS RATES

May 9	£	\$	DM	Yen	Swiss Franc	Dutch Guilder	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1	2.068	5.923	441.0	9.050	3.545	1.749	2.399	62.65
U.S. Dollar	0.494	1	1.897	215.3	4.977	1.715	845.7	1.180	30.30
Deutschemark	0.385	0.827	1	123.4	2.807	0.904	1.086	0.611	15.97
Japanese Yen	2.368	4.688	8.995	1000	20.52	8.059	396.5	4.439	142.1
French Franc	1.105	2.285	4.334	487.3	10	3.917	1.822	2.650	69.23
Swiss Franc	0.282	0.583	1.106	124.4	3.558	1.202	493.2	0.677	17.67
Dutch Guilder	0.235	0.485	0.991	103.5	3.124	0.852	1	0.563	14.71
Italian Lira	0.572	1.188	2.345	282.2	5.176	2.456	1000	1.373	55.85
Canadian Dollar	0.417	0.862	1.695	183.9	3.773	1.478	729.0	1	26.12
Belgian Franc	1.595	3.500	6.961	703.9	14.45	5.658	279.1	3.828	100

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one month 10.35-10.40 per cent; three months 10.55-10.65 per cent; six months 10.80-11.00 per cent; one year 10.80-10.90 per cent.

May 9	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian \$	Japanese Yen
180th term	11 1/2-11 3/4	10 1/2-10 3/4	9 1/2-10 1/4	6 1/2-7 1/4	5 1/2-6 1/4	5 1/2-6 1/4	8 1/2-9 1/2	7-10	10 1/2-10 3/4	5 1/2-5 3/4
7 days notice	11 1/2-11 3/4	10 1/2-10 3/4	9 1/2-10 1/4	6 1/2-7 1/4	5 1/2-6 1/4	5 1/2-6 1/4	8 1/2-9 1/2	10 1/2-11 1/2	10 1/2-10 3/4	5 1/2-5 3/4
Month	11 1/2-11 3/4	10 1/2-10 3/4	9 1/2-10 1/4	6 1/2-7 1/4	5 1/2-6 1/4	5 1/2-6 1/4	8 1/2-9 1/2	10 1/2-11 1/2	10 1/2-10 3/4	5 1/2-5 3/4
Three months	11 1/2-11 3/4	10 1/2-10 3/4	9 1/2-10 1/4	6 1/2-7 1/4	5 1/2-6 1/4	5 1/2-6 1/4	8 1/2-9 1/2	10 1/2-11 1/2	10 1/2-10 3/4	5 1/2-5 3/4
Six months	11 1/2-11 3/4	10 1/2-10 3/4	9 1/2-10 1/4	6 1/2-7 1/4	5 1/2-6 1/4	5 1/2-6 1/4	8 1/2-9 1/2	10 1/2-11 1/2	10 1/2-10 3/4	5 1/2-5 3/4
One year	11 1/2-11 3/4	10 1/2-10 3/4	9 1/2-10 1/4	6 1/2-7 1/4	5 1/2-6 1/4	5 1/2-6 1/4	8 1/2-9 1/2	10 1/2-11 1/2	10 1/2-10 3/4	5 1/2-5 3/4

INTERNATIONAL MONEY MARKET

Paris rates firmer

French interest rates received an upward push from the Bank of France yesterday. Day-day money rose to 7 per cent from 6 1/2 per cent in Paris, while one-month increased to 7 1/2 per cent from 6 1/2-7 1/4 per cent; three-month to 7 1/2-7 3/4 per cent from 7 1/4-7 1/2 per cent; six-month to 7 1/2-7 3/4 per cent from 7 1/4-7 1/2 per cent; and 12-month to 8 1/4 per cent from 7 1/2-8 per cent.

UK MONEY MARKET

Moderate assistance

Bank of England Minimum Lending Rate 12 per cent (since April 5, 1979). Day-to-day credit was in short supply in the London money market yesterday, and the authorities gave a moderate amount of assistance by buying a small number of Treasury bills and a small amount of local authority bills from the discount houses, and by lending a moderate amount overnight to four or five houses, at Minimum Lending Rate of 12 per cent. The only major factor against

INTERNATIONAL MONEY MARKET

Paris rates firmer

not expected to change radically in the money market over the next few weeks, although conditions may become tighter after the middle of the month, possibly encouraging the authorities to introduce a special loan facility. On Tuesday, the Netherlands Bank injected funds by way of currency swaps, easing the market shortage to Fl 2.5bn. from Fl 3.6bn on Monday. The payments of natural gas royalties is likely to keep conditions tight during the coming week. Call money was unchanged at 6 1/2 per cent yesterday, and one-month at 7 1/4 per cent. Three-month rose to 7 1/2-7 3/4 per cent from 7 1/4-7 1/2 per cent, and six-month to 8 1/4 per cent from 7 1/2-8 per cent.

AMSTERDAM—Conditions are

the market was repayment of the extremely large amount lent by the authorities on Tuesday. This outweighed a moderate excess of Government disbursements over revenue payments to the Exchequer, small surplus balances carried over by the banks, and a small decrease in the note circulation.

Discount houses paid around 12 per cent for secured call loans in the early part, and closing balances were taken at 11 1/2-12 per cent.

LONDON MONEY RATES

May 9 1979	Sterling Certificate of deposit	Interbank	Local Authority Deposits	Local Authority Negotiable Bonds	Finance House Deposits	Discount Company deposit	Eligible Treasury Bills	Prime Trade Bills
Overnight	11 1/2-11 3/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4
2 days notice	11 1/2-11 3/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4
7 days notice	11 1/2-11 3/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4
One month	11 1/2-11 3/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4
Three months	11 1/2-11 3/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4
Six months	11 1/2-11 3/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4
One year	11 1/2-11 3/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4	12-12 1/4

Local authority and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 11 1/2 per cent; four years 11 1/2-11 3/4 per cent; five years 11 1/2-11 3/4 per cent; six years 11 1/2-11 3/4 per cent; seven years 11 1/2-11 3/4 per cent; eight years 11 1/2-11 3/4 per cent; nine years 11 1/2-11 3/4 per cent; ten years 11 1/2-11 3/4 per cent. Approximate selling rates for one-month Treasury bills 11 1/2 per cent; two-month 11 1/2 per cent; three-month 11 1/2 per cent; six-month 11 1/2 per cent; one-year 11 1/2 per cent. Approximate selling rates for one-month bank bills 11 1/2 per cent; two-month 11 1/2 per cent; three-month 11 1/2 per cent; six-month 11 1/2 per cent; one-year 11 1/2 per cent. Clearing Bank Rates for May 1, 1979. Clearing Bank Deposit Rates for similar periods (published by the Finance Houses Association) 12 per cent for May 1, 1979. Clearing Bank Bills: Average tender rates of discount 11.0538 per cent.

THE POUND SPOT AND FORWARD

May 9	Day's spread	Close	One month	Three months	% p.a.
U.S.	2.0620-2.0690	2.0670-2.0680	0.40-0.30c pm	2.03	0.75-0.65 pm
Canada	2.2895-2.2895	2.2890-2.2890	0.22-0.12c pm	0.85	0.47-0.37 pm
Netherlands	4.24-4.27	4.25-4.25	0.25-0.25c pm	4.21	5.45-5.45 pm
Belgium	62.40-62.75	62.60-62.70	25-15c pm	4.23	62.55 pm
Denmark	10.38-11.03	11.02-11.03	4-20c pm	3.28	51-31 pm
Ireland	1.0295-1.0340	1.0290-1.0340	20-30p dis	2.50	75-85 dis
Portugal	3.90-3.93	3.91-3.92	2-1 1/2 pm	3.74	61-55 pm
Spain	101.10-101.80	101.45-101.75	50-110c dis	-8.44	150-250 dis
Italy	1765-1781	1765-1765	25 pm-25 dis	0.69	15-15 pm
Norway	10.87-10.72	10.69-10.70	3-1 1/2 pm	3.80	81-81 pm
France	8.02-8.06	8.04-8.05	3-2c pm	3.31	71-61 pm
Sweden	8.96-9.10	9.00-9.04	3-2c pm	4.52	51-41 pm
Japan	438-448	440-441	3-15-2.80y pm	7.82	7.75-7.40 pm
Austria	28.75-29.85	28.80-29.85	20-10c pm	6.24	50-40 pm
Switzerland	2.52-2.55	2.54-2.55	3-2 1/2 pm	3.75	10-9 pm

THE DOLLAR SPOT AND FORWARD

May 9	Day's spread	Close	One month	Three months	% p.a.
UK	2.0620-2.0690	2.0670-2.0680	0.40-0.30c pm	2.03	0.75-0.65 pm
Ireland	1.9890-2.0040	1.9890-2.0020	0.96-0.85c pm	5.40	2.45-2.25 pm
Canada	86.28-86.23	86.30-86.33	0.11-0.08c pm	1.32	0.16-0.12 pm
Netherlands	0.25-0.25	0.25-0.25	0.25-0.25c pm	4.21	5.45-5.45 pm
Belgium	62.27-62.33	62.31-62.33	7-6c pm	2.58	20-18 pm
Denmark	5.226-5.230	5.2315-5.2330	1.00-0.50c pm	1.89	1.00-0.50 pm
Portugal	1.9250-1.9270	1.9260-1.9270	0.00-0.70p pm	4.74	52-42 pm
Spain	62.43-63	62.48-63	32-42c dis	-9.89	90-130 dis
Italy	60.48-60.90	60.43-60.97	1-15c dis	-1.45	20-30 dis
France	8.02-8.06	8.04-8.05	0.00-0.10c pm	3.28	2.70-2.50 pm
Norway	5.175-5.175	5.175-5.175	50-0.20c pm	0.88	1.95-1.75 pm
Sweden	4.370-4.377	4.375-4.377	0.37-0.27c pm	0.88	1.95-1.75 pm
Japan	213.10-214.90	213.10-213.30	1.10-0.85y pm	5.77	3.15-3.00 pm
Austria	13.970-13.970	13.9420-13.947	5.76-5.25c pm	4.73	18.75-17.25 pm
Switzerland	2.52-2.55	2.54-2.55	3.25-2.0c pm	3.75	2.15-2.00 pm

CURRENCY MOVEMENTS

May 9	Bank of England	Special Drawing Rights	European Currency Unit	May 9	Bank of England	Morgan Guaranty
Sterling	12	0.615879	0.644308	Sterling	66.7	-37.7
U.S. \$	91	1.27591	1.33289	U.S. dollar	85.7	-7.9
Canadian \$	114	1.77114	1.53225	Canadian dollar	81.7	-16.9
Austrian S	13	18.577	18.577	Austrian schilling	145.1	-18.7
Belgian franc	7	38.6353	40.3271	Belgian franc	115.9	-4.9
Danish K	8	6.78944	7.05989	Deutsche Mark	149.3	-41.3
D mark	4	2.41904	2.59491	Swiss franc	193.3	-80.6
Guilder	61	3.87767	3.74160	Guilder	123.7	-9.9
French Fr.	91	5.57965	5.82317	French franc	98.4	-5.9
Yen	10	142.719	142.719	Yen	153.9	-34.4
Yuan	41	274.359	286.528			
W. German M.	7	6.51350	6.89980			
Spanish Ptas.	8	84.3265	88.0706			
Swedish Kr.	61	5.85828	6.28103			
Swiss Fr.	1	2.18839	2.28103			

OTHER MARKETS

May 9	£	\$	Note Rates
Argentina Peso	2515-2635	1215-1225	Austria
Australia Dollar	1.8550-1.8600	0.8975-0.9000	Belgium
Brazil Cruzeiro	45.48-45.45	23.45-23.95	Denmark
Finland Markka	8.28-8.29	4.00-4.01	France
Greek Drachma	75.85-77.88	36.70-37.80	Germany
Hong Kong Dollar	41.43-41.96	0.0400-0.0500	Italy
Indian Rupee	149.88-159.30	75.77	Netherlands
Kuwait Dinar	0.568-0.578	0.9770-0.9785	Norway
Lebanese Lira	62.00-62.70	30.30-30.35	Portugal
Malaysia Dollar	6.975-6.985	2.8220-2.8335	Spain
New Zealand Dir.	1.9610-1.9680	0.9485-0.9520	Sweden
Saudi Arab. Riyal	6.92-7.03	3.3788-3.3804	Switzerland
Singapore Dollar	4.8800-4.8855	2.0245-2.0245	United States
Sth. African Rand	1.74-1.75	0.8420-0.8470	Yugoslavia

Notes Rates: Argentina is free rate. Rates given for Argentina is free rate.

World markets as they move

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TOKYO: Tsubota Wada Tel: 5844544
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Companies and Markets

WORLD STOCK MARKETS

Wall St. drifts mildly lower in early trade

INVESTMENT DOLLAR PREMIUM... \$2.60 to \$1.361% (561%)... Effective \$2.0675 241% (241%)... FAILING to maintain the better tone evident late on Tuesday, Wall Street drifted moderately lower...

market should stabilize at its lower level barring more bad news... The Gaining group continued to be among the hardest hit sectors... Caesars World said the opening of its Atlantic City casino would be delayed because...

Canada Showing some recovery from the marked depression of the previous two trading sessions, Canadian stocks were firmer for choice at mid-day yesterday following a moderate business... The Toronto Composite Index recovered 3.0 to 1,448.8 at noon...

Tokyo After its recent declining trend, the stock market showed some improvement yesterday in heavy trading, with Resources-related issues and large-capital shares leading the way... The Nikkei-Dow Jones Average finished 12.06 firmer at 6,248.88...

Consolidated Goldfields declined 10 cents to AS\$70... Bungalowville Copper 4 cents to AS\$28 and Andeco 2 cents to 30 cents... Among a mixed Coals sector, Utah retreated 30 cents to AS\$60...

Prices were mixed with a firmer bias yesterday after moderate trading on what brokers said was essentially technical influences following the market's weakness earlier in the week... The Bourse Industriels index rallied 0.5 to 78.3.

Shares improved fresh at the outset, but profit-taking during the afternoon eroded many gains and left mixed changes on balance... Trading became reasonably active. The Hang Seng index was finally only 1.11 higher at 533.94.

NEW YORK - DOW JONES table with columns for May 7, May 8, May 9, May 10, High, Low, and % Change. Includes Industrial, Composite, and various sector indices.

Closing prices and market reports were not available for this edition... cents to \$55.70, although declines outnumbered rising issues by only a narrow margin... Turnover contracted to 18,500 shares from the previous day's 1 pm level of 22,720.

Greyhound benefited from gasoline supply worries, adding \$1 at \$137 in active trading... Crown Zellerbach gained \$2 to \$37 after a late start due to an order imbalance... THE AMERICAN SE Market Value Index managed to recover 0.47 to 176.13 at 1 pm on volume of 2,100 million shares (2.54m).

Edper Equities, under an amendment to a restraining order in the U.S., is completing the purchase of 6.4m Brascan shares bought on the Amex... Genstar rose 1/2 to C\$43; Numac Oil and Gas 1/2 to C\$29; Both reported higher earnings.

Continued weakness in the Bond market caused renewed easiness in share prices yesterday, with the Commerzbank index receding 2.5 more to a new 1979 low of 78.4... Electricals took some sharp falls with AEG trading down DM 1.50, Brown Boveri of DM 1.50 and Siemens DM 2.50 lowered...

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STANDARD AND POORS table with columns for May 7, May 8, May 9, May 10, High, Low, and % Change. Includes Industrial, Composite, and various sector indices.

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Greyhound benefited from gasoline supply worries, adding \$1 at \$137 in active trading... Crown Zellerbach gained \$2 to \$37 after a late start due to an order imbalance... THE AMERICAN SE Market Value Index managed to recover 0.47 to 176.13 at 1 pm on volume of 2,100 million shares (2.54m).

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Continued weakness in the Bond market caused renewed easiness in share prices yesterday, with the Commerzbank index receding 2.5 more to a new 1979 low of 78.4... Electricals took some sharp falls with AEG trading down DM 1.50, Brown Boveri of DM 1.50 and Siemens DM 2.50 lowered...

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BASE LENDING RATES

Table of base lending rates for various banks and currencies, including A.B.N. Bank, Allied Irish Bank, and others.

EUROPEAN OPTIONS EXCHANGE

Table of European options exchange data, including series, volume, and price for various contracts.

AMSTERDAM

Table of Amsterdam stock market data, including prices and changes for various companies.

COPENHAGEN

Table of Copenhagen stock market data, including prices and changes for various companies.

SWITZERLAND

Table of Swiss stock market data, including prices and changes for various companies.

MILAN

Table of Italian stock market data, including prices and changes for various companies.

VIENNA

Table of Austrian stock market data, including prices and changes for various companies.

PARIS

Table of French stock market data, including prices and changes for various companies.

BRASIL

Table of Brazilian stock market data, including prices and changes for various companies.

TOTAL VOLUME IN CONTRACTS

Summary table of total volume in contracts for various options.

SPAIN

Table of Spanish stock market data, including prices and changes for various companies.

Handwritten note: J.P. 110150

Companies and Markets

COMMODITIES AND AGRICULTURE

Sudden jump in hide prices

BY OUR COMMODITIES STAFF

LEATHER TRADERS were shaken yesterday by a sudden and unexpected upsurge in raw hide prices at the Birmingham auction.

Farmland price fall may be temporary

BY CHRISTOPHER PARKES

THE AVERAGE price of farmland in England with vacant possession in the first three months of this year fell by £26 a hectare to £4,041.

Nickel pact may be rejected

By John Edwards, Commodities Editor

COPPER PRICES rallied strongly yesterday on the London Metal Exchange following news that union stewards at International Nickel's Sudbury complex had overwhelmingly rejected the terms of the tentative settlement to end the eight-month-old strike there.

Plea to save salmon

A watchdog body has launched an appeal for £500,000 to fight for the survival of British salmon, threatened by illegal netting and over-fishing.



Peter Walker, Britain's new Minister of Agriculture, introduced himself to the Press yesterday with a facility of phrase, which even his predecessor, Mr. John Silkin, might have envied.

Boost for sugar growers

UK SUGAR beet drillings could be completed by the end of this week if the present dry weather continues, a British Sugar Corporation spokesman said yesterday.

SPANISH CITRUS

Bitterness at EEC import levies

BY A CORRESPONDENT

AS THE end of the Spanish fruit season approaches, it is clear that it has been one of the worst on record, and export results have been its sorriest aspect.

U.S.-Mexico talks on grain-for-oil deal

CHICAGO — Bob Bergland, U.S. agriculture secretary, said yesterday the idea of bartering American grain for Mexican oil is sound, and the two Governments are talking about it.

U.S. strike hits rubber

By Our Commodities Staff

NEWS THAT the United Rubber Workers' Union decided to call a strike at Uniroyal plants in the U.S. brought a sharp decline in rubber prices in London yesterday.

BRITISH COMMODITY MARKETS

Table with columns for various commodities like Copper, Tin, Zinc, Lead, and their prices in London.

COFFEE

Table showing coffee prices for various types like Robusta and Arabica.

SOYABEAN MEAL

Table showing soyabean meal prices in London.

AMERICAN MARKETS

Table showing commodity prices in New York and Chicago.

Trading Profits £20,584! advertisement for Commodity Analysis Ltd.

WHEAT

Table showing wheat prices in London.

SUGAR

Table showing sugar prices in London.

Tuesday's closing prices

Table showing closing prices for various commodities.

SILVER

Table showing silver prices in London.

GRAINS

Table showing grain prices in London.

WOOL FUTURES

Table showing wool futures prices.

MEAT/VEGETABLES

Table showing meat and vegetable prices.

SEA DROWNING IN A SEA OF PAPERWORK?

Is your trading suffering from too much paperwork and out-of-date information? We have developed, in conjunction with a leading U.K. Software House, a computerised commodity trading system which we are willing to sell to interested parties.

RUBBER

Table showing rubber prices in London.

COTTON

Table showing cotton prices in London.

INDICES

Table showing various financial indices like Dow Jones and Moody's.

LONDON STOCK EXCHANGE

Index reacts 0.2 for two-day loss of 19.7 at 538.9 Banks weak on Standard's £76m call—Gilts down again

Account Dealing Dates

*First Declara- Last Account Dealings tions Dealings Day Apr. 23 May 3 May 4 May 15 May 17 May 18 May 30 May 21 May 31 June 1 June 12

New time dealings may take place from 9.30 am two business days earlier

Stock markets were quite subdued yesterday and ended with widespread falls although leading shares generally closed at a shade above the day's lowest. Still overshadowed at the start by disappointment in the absence of a marked upturn on Tuesday—the first full day's trading following confirmation of the Conservative's decisive election victory—markets were pondering on the calls likely to be made on investment funds through the NEB's mooted plans for more direct involvement in

its activities by the private sector when first indications of Standard and Chartered's call for £76m new money came in the first half-hour's business and underlined morning Press comment about a queue of companies with pending rights issues.

On the announcement, the downturn in equities quickened on relatively small selling, made up by bear sales and further profit-taking which had a disproportionate effect on share prices because of the continued reluctance of institutional buyers. Leading banks turned particularly weak.

The afternoon announcement of last month's poor banking figures further depressed gilt edged which ended at the day's lowest with falls to 1 1/2, but equities continued in the steadier vein which had prevailed from noon. At that time, the FT 30-

share index was showing a fall of 12.1 and the closing loss of 10.2, at 538.9, made a reaction of 19.7 from last Friday's peak of 558.6. Yesterday's falls in the index constituents were mostly limited to 6, but BP closed 30 down at 1186p with sentiment not helped by fairly widespread forecasts that to ease the Government's financial problems further tranches of the State's holding in the company may be offered to the public.

Fairly unnumbered rises in FT-quoted industrials by more than five-to-one, but lessened activity was denoted by official markings of 5.441 as against Tuesday's 7.042.

Still unsettled by the previous day's announcement of the wholesale price index and their indications of a sharp increase in the rate of inflation, British Funds recorded further wide-spread and substantial losses yesterday. Already a weak market in anticipation of poor banking figures, prices were lowered further by an 1 1/2 when these proved worse than expected. There was some bear covering in the shorts, but this had little lasting impact and final losses extending to 1 1/2 left prices around the day's lowest. Falls in the longs ranged to 1 1/2 and the Government securities index lost 0.83 million to 74.5. Selling pressure throughout the sector was light, but quotations were extremely vulnerable in the prevailing thin and nervous conditions.

Conditions in the investment currency market were extremely quiet and, after moving between 57 1/2 and 58 per cent, the premium closed a fraction lower on balance at 58 1/2 per cent. Yesterday's SE conversion factor was 0.8048 (0.7989).

A sharp contraction of demand for Traded options left recorded contracts at 1.125 against the previous day's 1.639. EMI attracted most interest with 220 deals.

Standard dull

The surprise announcement of a proposed £76m fund-raising call from Standard Chartered at the start of business unsettled sentiment in the banking sector and sharp falls ensued. Standard touched 500p before closing 28 down on balance at 507p. Midland, which holds a 16 per cent shareholding in Standard, reacted 15 to 426p, while NatWest, which is to be the next in line with a large cash call, fell 17 to 375p. Barclays ended a similar amount down at 485p, after 482p, but Lloyds cheapened only 5 to 345p, after 342p.

Merchant Banks reacted from recent Press-inspired strength on profit-taking. Hill Samuel softened to 115p and the Warrants fell 50 to 835p. Insurances contributed to the general dullness. In front of today's first-quarter figures, Royals gave up 6 to 422p.

Persistent small selling left Breweries and kindred issues with a distinctly dull appearance. Bass, 233p and Whitbread, 142p eased 6 and 5 respectively, while Allied slipped 3 to 88p. Fuller, Smith and Turner, however, found support and put on 20 to 985p. Distilleries were upset by pre-budget nerves. Arthur Bell, 188p, Highland, 90p and Distillers, 241p all losing 6, but interest was shown in Amalgamated Distilled Products which put on 5 to 43p on bid hopes.

Scattered selling and an absence of support made for quietly dull conditions in the Building sector. Blue Circle relinquished 8 to 336p and Tarmac 7 to 196p. Down 10 on Tuesday following the annual fall 13 to 707p as did Pilkington to 382p. Reddit and Colman closed 12 lower at 500p following the annual report. Scottish and Universal Investments, however, moved against the trend with a rise of 4 to 209p, after 210p, in response to the increased bid, worth 214p per share from Lough which closed 4 off at 79p. Press criticism of the company's plan to divide its shares into two classes, one entitled to dividends, and the other gave concessions, led to a fall of 8 to 187p in European Ferries, while Lesney Products fell 4 more to 60p, after 59p, on further consideration of the poor annual results.

High-fliers in the Electrical sector were vulnerable to sporadic offerings with Recal weakening 18 to 475p and Eurotherm 10 to 390p. Among the leaders, GEC, 439p before settling at 437p for a loss of 6 on balance.

A small technical rally left some of the Engineering leaders a few pence above the worst. John Brown, closing 6 cheaper at 585p, after 583p, GKN, 285p, and Hawker Siddeley, 254p, ended with losses of around 8. Although the majority of movements in secondary issues were against holders, a number of good features emerged. United Engineering stood out with a gain of 12 to 135p in response to the increased dividend and profits and proposed one-for-two scrip issue.

The option market was quieter than of late with little dealt in Lough, Premier Oil, BATS Deft, and Marks & Spencer 35p.

246p in Averys and Matthew Hall were quoted 3 higher at 278p on the good preliminary figures. British Northrop, on the other hand, gave up 4 further to 87p on the annual loss. British Aluminium were quoted ex the share split at 510p.

Disappointment with the annual results prompted a swift reaction in J. Sainsbury which fell to 338p before a few cheap buyers lifted the price to 345p for a net fall of 23. In sympathy, Tesco reacted 24 to 78p. By contrast, Cullens awaiting today's dividend announcement, added 4 for a two-day gain of 10 to 148p. Tate and Lyle shed 4 to 148p and British Sugar 5 to 173p, while profit-taking left speculative counter J. Bibby 20 down at 405p.

Suits higher

Profit-taking and lack of investment enthusiasm took its toll on the miscellaneous industrial leaders which closed sharply lower. Metal Box led the retreat at 342p, down 15, while Beecham fell 13 to 707p as did Pilkington to 382p. Reddit and Colman closed 12 lower at 500p following the annual report. Scottish and Universal Investments, however, moved against the trend with a rise of 4 to 209p, after 210p, in response to the increased bid, worth 214p per share from Lough which closed 4 off at 79p. Press criticism of the company's plan to divide its shares into two classes, one entitled to dividends, and the other gave concessions, led to a fall of 8 to 187p in European Ferries, while Lesney Products fell 4 more to 60p, after 59p, on further consideration of the poor annual results.

South African Financials were mixed in subdued trading. Middle Wits continued to make progress, rising 5 to a 1979 high of 276p. Coal stocks, on the other hand, lost ground with "Amcoal" 20 cheaper at 850p and Transvaal Consolidated Land 4 off at 217p, the latter in front of the half-year results expected today.

London-registered Financials came under pressure following the renewed weakness of UK equities. Rio Tinto-Zinc dropped a further 11 to 354p—a two-day decline of 20p—while the Selection Trust relinquished most of the previous day's rise to close 16 lower at 880p. Charter, 166p, and Gold Fields, 246p, gave up 6 apiece.

In Tins, profit-taking left Trench 10 cheaper at 270p but renewed Far Eastern buying resulted in 1979 Highs being attained by Idria, 4 harder at 72p, 30 at 1,186p, after 1,150p, were not helped by Press suggestions that the new Government may

sell off part of its holding in the company. Shell closed unaltered on balance at 800p after 790p. Easier jobs of the announcement, stock jobbers Akroyd and Smithers rose to 235p on the interim profits recovery before settling for a net rise of 6 at 231p.

Gold easier

South African Golds registered minor falls for the first time in seven trading days despite the continuing steadiness of the bullion price. Share prices were marked down at the outset owing to modest overnight American selling but subsequently picked up in response to Continental and Johannesburg buying.

The Gold Mines index fell 2.9 to 169.9 while the ex-premium index lost 1.4 to 129.5.

Among the heavyweights, Randfontein dropped 2 1/2 following the chairman's remarks at the annual meeting that the company intends to adhere to a conservative dividend policy this year.

FINANCIAL TIMES STOCK INDICES. Table with columns for indices (Government Secs, Fixed Interest, Industrial, Gold Mines, etc.) and rows for May 9, May 8, May 7, May 6, May 5, May 4, Year ago.

HIGHS AND LOWS. Table with columns for High, Low, and S.E. ACTIVITY. Includes sub-sections for NEW HIGHS (78), NEW LOWS (40), and RISES AND FALLS YESTERDAY.

LONDON TRADED OPTIONS. Table with columns for Option, Ex'cise, Closing price, Vol., Closing offer, Vol., Closing offer, Vol., Equity close. Includes sub-sections for July, Oct., Jan., May, August, November.

APPOINTMENTS

600 Group managing director

Mr. Keith H. Williams will be joining the 600 GROUP on May 28 as managing director. Sir Jack Wellings will continue as chairman and chief executive. Mr. Williams was recently managing director of Brush Electrical Machines and previously held senior positions with Perkins Engines, his last appointment being executive director UK operations. Mr. Ian G. Beaton (finance director) has been appointed deputy managing director (finance) of the 600 Group and Mr. Leslie Davies will remain deputy managing director (operations).



Mr. Keith Williams

Mr. Douglas M. Yates has been appointed group finance director for INTERNATIONAL PAINT. He was previously with the Ladbroke Group. Mr. Alan R. Montgomery has been appointed financial director and company secretary of the MENTIMORE MANUFACTURING COMPANY. Mr. W. D. Binnie and Mr. R. W. Simms have been appointed joint managing directors of W. & J. GLOSSOP. Mr. Digby Burnell remains chairman and chief executive of the group.

Mr. Anthony Gray has been appointed to the newly-created position of financial director of Blaw Knox and Muir-Hill, subsidiaries of BABCOCK CONSTRUCTION EQUIPMENT. Dr. Charles Spillman, of Well-Furor Zurich, has been elected president of EUROVAN, in Rotterdam. Mr. Roy Taylor, of Smith and Herbert London, has joined the Eurovan Board as vice-president. Mr. I. F. H. Miller, has joined ITR HOLDINGS as group financial director. He was previously financial controller of W. S. Atkins Group Consultants.

Mr. John Wright has been appointed marketing director of THOMAS FRENCH AND SONS (ELECTRICAL). He joins the company from Markon Engineering. Mr. D. Graham-Wood has been appointed a non-executive director of the LILLESHALL COMPANY. Mrs. B. G. Wrather has become

Mr. C. T. Wyatt has been appointed deputy managing director of COSTAIN GROUP and continues as group chief executive. Mr. Alfred Singer will be joining the board of GESTETNER HOLDINGS on July 1 as a non-executive director. Mr. Martin Landau has become managing director of GUINNESS PEAT PROPERTY SERVICES. He has also been appointed managing director of a property development company which is being formed to handle joint ventures between its principal shareholders Guinness Peat Group, Sir Robert McAlpine and Sons and Knowles Investments. Mr. Landau has resigned from the board of Guinness Mahon and Co. Mr. Peter Warland has been appointed managing director of BRITISH EUROPEAN ASSOCIATED PUBLISHERS. He has been director and general manager of Standbrook Publications for the past five years. Mr. Warland will be taking over from Mr. Kler Hagedoorn of Holland. Sir Roger Falk will continue for the time being as chairman of BEAP. Mr. Michael Card, company secretary, joins that Board on May 15 as an executive director. Mr. Jack Woelker has been appointed as operations director for buses from June 2. He will

Mr. William Morgan will be retiring. Mr. Woelker has been with London Transport for 44 years and has been concerned with bus operations since 1947. He will become a member of the Bus Management Board. Mr. D. L. Hagan has been appointed chairman, Mr. P. J. S. Goddard has been elected president of EUROVAN, in Rotterdam. Mr. Roy Taylor, of Smith and Herbert London, has joined the Eurovan Board as vice-president. Mr. I. F. H. Miller, has joined ITR HOLDINGS as group financial director. He was previously financial controller of W. S. Atkins Group Consultants. Mr. John Wright has been appointed marketing director of THOMAS FRENCH AND SONS (ELECTRICAL). He joins the company from Markon Engineering. Mr. D. Graham-Wood has been appointed a non-executive director of the LILLESHALL COMPANY. Mrs. B. G. Wrather has become

ACTIVE STOCKS

Table with columns: Stock, Denomina., No., Closing price (p), Change on day, 1979 low, 1979 high. Lists various stocks like BP, GEC, ICI, etc.

OPTIONS

Table with columns: DEALING DATES, First Dealings, Last Dealings, For Settlement, etc. Lists various options like EMI, Debenhams, etc.

RECENT ISSUES

Table with columns: Issue, Price, etc. Lists recent issues like 1115 F.P., 1116 F.P., etc.

FIXED INTEREST STOCKS

Table with columns: Issue, Price, etc. Lists fixed interest stocks like 98 1/2 F.P., 99 1/2 F.P., etc.

"RIGHTS" OFFERS

Table with columns: Issue, Price, etc. Lists rights offers like 800 F.P., 801 F.P., etc.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Wed, May 9, 1979, etc. Lists various equity groups and sub-sections with their respective values and changes.

LEADERS AND LAGGARDS

Table with columns: Sector, % Change, etc. Lists various sectors like Food Retailing, Finance, etc. and their percentage changes.

Reconciliation date usually last day for dealing free of stamp duty. Figures based on prospectus estimates, a Assumed dividend and yield. Forecast dividend cover based on previous year's earnings. Dividend yield based on prospectus or other official estimates for 1979. GROSS T. Figures assumed on basis of cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividend. Pricing price to public. * Pence unless otherwise indicated. † Issued by tender. ‡ Offered to holders of ordinary shares as a "rights" issue. § Issued by way of capitalisation. ¶ Reintroduced. ** Issued in connection with reorganisation. *** Allotment letters. (or fully-paid). †† Provisional or partly-paid allotment letters. ††† With warrants. †††† Unissued security.

Handwritten note: 10/15/79

AUTHORIZED UNIT TRUSTS

Table of Authorized Unit Trusts listing various funds such as Abbey Unit Tr. Mgrs., Friends Provident Unit Tr. Mgrs., and others with their respective details and prices.

Table of Mutual Fund Managers Ltd. listing various funds like Prud. Portfolio Mgrs. Ltd., Quilter Management Co. Ltd., and others.

INSURANCE AND PROPERTY BONDS

Table of Insurance and Property Bonds listing various companies like Abbey Life Assurance Co. Ltd., Crown Life Assurance Co. Ltd., and others.

Table of Target Tr. Mgrs. (Scotland) listing various funds like Target Tr. Mgrs. (Scotland) (a) (i), (a) (ii), and others.

OFFSHORE AND OVERSEAS FUNDS

Table of Offshore and Overseas Funds listing various international funds like Alexander Fund, Keyser Ullmann Ltd., and others.

OFFSHORE AND OVERSEAS FUNDS

Table of Offshore and Overseas Funds (continued) listing various international funds like Keyser Ullmann Ltd., Keyser Ullmann Ltd., and others.

NOTES: Price of each share is shown in pence and is in pence unless otherwise indicated. Dividends are shown in pence and are in pence unless otherwise indicated.

